

***SCHOOL DISTRICT  
OF  
EDISON TOWNSHIP***

***EDISON TOWNSHIP  
BOARD OF EDUCATION***

***COUNTY OF MIDDLESEX  
EDISON, NEW JERSEY***

***COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR  
ENDED JUNE 30, 2012***

**EDISON SCHOOL DISTRICT**  
**COUNTY OF MIDDLESEX, NEW JERSEY**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2012**

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# **INTRODUCTORY SECTION**



# Public Schools of Edison Township

312 PIERSON AVENUE \* EDISON, NEW JERSEY 08837  
TELEPHONE (732) 452-4900 FAX (732) 452-4993

**Richard O'Malley, Ed.D**  
Superintendent of Schools

**Daniel P. Michaud**  
Business Administrator/Board Secretary

November 26, 2012

Honorable President and  
Members of the Board of Education  
Edison School District  
County of Middlesex, New Jersey

Dear Board Members:

The comprehensive annual financial report (CAFR) of the Edison School District (District) for the fiscal year ended June 30, 2012, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, creates a new reporting model of financial information and disclosure, which represents a significant departure from the currently used reporting model. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two statements consolidate much of the information contained in fund based financial statements of the past into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net assets should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the District to explain in layman's terms its financial position and results of operations of the past fiscal year. The comparative data which is available from the prior year with respect to the reporting of the Statement of Net Assets and Statement of Activities under GASB No. 34, allows for the inclusion of comparative data for both statements in the MD&A section of this report.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and its Services: Edison School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Edison Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, bilingual as well as special education for educationally handicapped youngsters.

The District operated the 2011-2012 fiscal year with an average daily enrollment (ADE) of 14,217 students, which is slightly above the previous year's ADE. The following details the changes in the student enrollment of the district over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2011-2012	14,217	0.16%
2010-2011	14,194	0.01%
2009-2010	14,181	(0.00%)
2008-2009	14,194	0.01%
2007-2008	14,184	(1.98%)
2006-2007	14,471	3.52%
2005-2006	13,979	3.14%
2004-2005	13,553	3.73%
2003-2004	13,066	1.21%
2002-2003	12,910	.74%

2. Board of Education Policy Statement: The Public Schools of Edison Township holds as its foremost mission the continuation of its tradition of graduating students with the highest level of academic preparation. Within this context, the Public Schools of Edison Township provide each student with an opportunity to acquire the knowledge and skills needed to become responsible and productive citizens in our democratic and fast changing society and where there is nothing less than excellence.
3. Major Initiatives: Students continue to score above the state and national averages on the Scholastic Achievement Test (SAT). The Edison School District class of 2012 senior's combined SAT scores averaged 1631. There were 28 National Merit Scholars for the 2011-12 school year. The National Merit Scholarship Program honors individual students who show exceptional academic ability and potential for success in rigorous college studies. In addition, during the 2011-2012 school year, students took a total of 1,743 Advanced Placement tests. Our district's results in the State Graduation Test (HSPA) placed Edison Schools among the best in the state and competitive with the district factor group with a 95.9% proficiency rate in Language Arts Literacy and 87.5% proficiency in mathematics for all students.

Professional Development Activities: Edison's professional development program is a comprehensive system of professional learning geared at serving the district's teachers, supervisors, administrators, and support staff in a thorough and effective manner. All program services are predicated on teacher and program needs identified in analysis of student achievement data, focus group input, school level plans, district curriculum council surveys, Local Professional Development Committee recommendations and faculty and departmental meetings. Edison's Framework for Essential Instructional Behaviors K-12, a collaboratively developed standard of effective teaching, provides a conceptual base for the program, which is founded on research and best practice, as well as on the classroom experience and pedagogical excellence of our professional staff. Using this framework, the professional development program is fully integrated with curriculum development and the core curriculum content standards. Evaluation is ongoing and is built into every aspect of the professional development program.



Components of the professional development program include mandated staff development for all non-tenured teachers, totaling nine full days of training and seven classroom observation and coaching visits over a three-year period. In addition, an intensive mentoring program is provided to all provisional first year teachers, with workshops and follow-up sessions for each mentor/protégé team. The District also provides Professional Development Institute (PDI), which offers certificated and non-certificated staff PDI hours, leading to salary increments, for their voluntary participation in an array of curriculum and instructionally relevant workshops offered after school and on weekends. A total of 845 certificated and non-certificated staff took advantage of these after school programs during the 2011-2012 school year. The 2011-12 school calendar also included 2 full-day curriculum in-service days for all teachers, administrators, and paraprofessionals.

Building Projects-Renovations: During the 2011-2012 school year, the district's major improvements to the school buildings and sites included projects such as roof replacements, gymnasium/multi-purpose room partition replacements, a boiler replacement, lavatory upgrades, ceiling replacements, sidewalk replacements and repaving of deteriorated parking lots and playgrounds. The district also remediated a drainage problem at Lindeneau School in which the school experienced flooding during heavy rains. In addition, the district has installed its first turf field at Edison High School and is planning to provide a similar field at John P. Stevens High School next year. The total cost of the capital outlay projects were \$2,707,735.

Multi-Year Equity Plan: Our schools continue to promote a positive, supportive environment for learning through the Cultural Understanding Initiative. Middle schools continue to focus on bully and harassment prevention training by emphasizing student skill development in conflict resolution, active listening and empathy awareness through the Peacemakers Program. High Schools address multi-cultural and peer leadership program with elementary schools stressing a broader array of skills encompassed in the Character Counts and Positive Behavior Support In Schools Programs.

The 2007-2010 Comprehensive Equity Plan was approved by the Board on December 18, 2006, for submission to the County Superintendent. County approval was given on June 11, 2007. This three-year plan, based upon self-study, incorporates equity training, affirmative action, equality in education, staff development, minority staff-recruitment, and desegregation mandates. On May 24, 2010, the Board of Education approved the Annual Statement of Assurance for the Comprehensive Equity Plan.

The District's Equity Plan for 2007-2010 focused on equality and equity in school and classroom procedures, prohibiting harassment, annual training for certified and non-certified staff, narrowing the achievement gap and lowering the numbers of at-risk Black and Hispanic students referred to the I&RS Committee and from I&RS Committee to child study teams.

The Comprehensive Plan features the Integrated Quality Education (IQE) component. Through an outdoor environmental education program, fifth graders have the opportunity to develop positive attitudes towards people of different origins and cultures.

Elementary schools utilize the framework Character Counts to develop grade-level projects which utilized class readings and student activities to promote cultural understanding, fairness, responsibility, respect and trust.

Middle level students participate in The Peacemakers and Ripple Effects programs to ensure equity and a positive school climate, supportive guidance counseling services, and co-curricular programs for all students. The District continues to serve as a model for collaborative teaching. This past year, building-level teams of teachers, led by their principals, participated in several professional development sessions to coordinate school level achievement planning with building-based in-service workshop offerings.

The district has continued its efforts to recruit faculty/staff to increase the representation of qualified minorities in the Edison Public Schools.

Technology Plan: Students and teachers use technology routinely to develop critical thinking skills, to research and communicate with students and to access resources beyond the district, to meet and exceed the New Jersey Core Content Standards. Preliminary educational technology curriculum committees have been formed in order to enhance, develop and implement technology K-12, in line with the core content standards and district needs.

Edison township schools' infrastructure has been updated to include a much improved network system allowing the district to become less dependent of other systems. The network consists of improved internet and email system, as well as, updated network capabilities. All primary and secondary schools have up-to-date networking capabilities, including Internet, email and data access. A Technology Director and Student Data Manager have been appointed to keep technology moving in the right direction. The District has implemented an online student data system (Genesis) to better track students and allow parents and teachers to interact with each other, concerning grades, etc.

Staff development continues to improve in the area of technology. Various advanced technology application workshops have been designed by Edison's Professional Development Institute for those who are interested in updating skills. Technology professional development funding is also available for out-of-district workshops to anyone interested in attending.

The purchase of mobile, wireless lap-top computer laboratories and replacement computers continues to equip teachers with the resources to integrate technology into the ongoing instructional program. Promethean Boards have been installed in all K-8 classrooms.

Innovative Programs: The Edison schools actively pursue collaborative relationships with various agencies, ranging from local community organizations, including The Edison Municipal Alliance, JFK Hospital, Rutgers University. A summer Literacy Academy ensures identified at-risk primary grade students' benefit from an extended school year.

The Edison Municipal Alliance, a community assistance organization, provides substance abuse prevention services and youth support programs. Assemblies promoting positive behaviors, peer leadership and peer mediation programs, and the BRIDGES middle and high school at-risk student tutoring programs are sponsored by the Municipal Alliance. In 1996, the EMA conducted a needs assessment of the community with a follow-up survey in April 1998. In 2001, a more-comprehensive ATOD survey was conducted to monitor trends among Edison's Youth. In October 2006, the Alliance administered a comprehensive ATOD/risk behavior survey to high school students.

Grant funding in the middle school for student health education and prevention has follow-up staff development of health education teachers to prevent adolescent drug use/abuse and a diabetes education/prevention program.

Special Education: For the 2011-2012 school year, the Edison Township Public School district had eleven autistic classes located at five elementary schools. Also, the district had two multiple disabilities classes located at Menlo Park Elementary School and one multiple disabilities class at Woodrow Wilson Middle School. Additionally, the district had six integrated pre-school classes, ten half day pre-school disabled classes, six full day pre-school disabled classes located at the CEC and the Franklin D. Roosevelt buildings and a Multiple Disabilities Class at John Adams Middle School. The district also provides resource program services and supports to students which allows them to remain in their home schools in the least restrictive environment and several elementary schools use PBSIS as part of Character Education.

The department continues to address the quality of instruction delivered to students by providing teachers with in-service training. In-services are planned to improve and reinforce the skills and knowledge for effective classroom teaching and learning. In-services programs include topics such as the High Scope Curriculum, social skills; instructional techniques based on the philosophy of applied behavior analysis (ABA), and multi-sensory instruction.

The department provides a variety of services to the parents. Parent training workshops are provided by the ABA Coordinator. These workshops provide support and skills for parents who need additional assistance. The Department has a Special Education Advisory Council and a Parent Advisory Group, which meet on a bi-monthly basis. In addition, the district directs parents to appropriate community resources for support.

Community Involvement: Throughout the year, active community involvement is planned, fostered, and carried out. Students host various activities for neighborhood senior citizens. K-12 school students, with the support of teachers and community members, participate in the City of Hope Walkathon to raise funds for breast cancer research.

Edison's Strategic Plan is currently under review by all administrators to ensure progress in attaining goals set by the school-community steering committee. By way of the district's Human Relations Committee and Cultural Understanding Initiative, emphasis upon dialogue with community members and multi-cultural themes relevant to education are articulated and considered for inclusion in school-level plans or district-initiatives. Programs featuring bully-prevention and improving school climate was emphasized during 2011-12.

During the 2011-12 school year, the district continued to expand its grades 8 to 9 orientation program emphasizing "transitions" by way of a broad-based educator-student-parent committee with activities for the spring and summer of 2012.

Program Enhancement and Enrichment: The district continues to prioritize academic achievement for all learners in a productive school climate given the following initiatives:

#### Elementary Schools

- K-5 Writing Initiative featuring program expansion, updated resources and summer Professional Development Institute for elementary administrators
- Revisions to the K-5 science and social studies curriculum guides and instructional materials
- Early intervention support provided to identified at-risk students through after school tutorial programs

#### Middle Schools

- Added Success Maker Software Program to support students with deficiencies in Language Arts and Mathematics
- Added NWEA on-line testing at two (2) middle schools to provide teacher with students academic strengths and weakness to help guide their instruction planning
- Conducted Saturday program for students needing additional support in Language Arts and Mathematics

#### High Schools

- Continued expansion of AP Program
- Used iPad for Algebra I instruction in selected classes
- Contracted with Standards Solutions to provide professional development and lesson support focused on Language Arts and Mathematics for our Level 2 classes
- Provided all students the opportunity to take PSATs and/or ACT assessments PLAN and EXPLORE to provide measure for college readiness

4. Economic Condition and Outlook: The Township of Edison continues to enjoy the benefits of its significant ratable base, one of the largest in the State of New Jersey. While the economic situation affecting the U.S and this region has resulted in a reduction in assessed valuations in the current and recent years, it is expected further growth will continue in the industrial and commercial areas of the Township because of its proximity to major markets and accessibility by rail, interstate highways and

waterways. The U.S. Census Bureau, Sales Management Magazine and the New Jersey Department of Labor and Industry recognize the Township's contributions to economic life to the region and record separate tabulations of statistics for the Township of Edison. The 2000 U.S. Census Bureau reported the Township's median family income to be \$77,976 as compared to the State average of \$55,146, and the Township's per capita income at \$30,148, compared to the State average of \$27,006.

5. Management's Responsibility for Financial Reporting: The management of the school district is responsible for the preparation of the financial statements included within the CAFR and for their integrity and objectivity. In order to enable the District to fulfill its obligation for accurate and fair financial reporting, management is also responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognized that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

6. Budgetary Controls: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2012.

7. Accounting System and Reports: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.
8. Financial Information at Fiscal Year-End: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The District also continues to provide the excellent educational environment found in the Edison Public Schools at a cost per pupil factor that is well below the regional and state averages. This is due in part to the District's costs incurred for administrative services, which are also

well below the respective regional and state averages. Information related to the District's financial statements and condition is found in the Financial Section and Statistical Section of this report.


9. Debt Administration: Effective November 3, 1992, as a result of a decision by the electorate, the Board operates as a Type II District. Prior to that date, the Board was classified as a Type I School District and the Board did not issue debt as an autonomous agency. Type I debt for the school district was issued by the Township of Edison as a direct obligation of the municipality. At June 30, 2012, the balance of funds available in the capital projects fund totals \$1,161,762.38. Also at June 30, 2012, the District has Type II Debt of \$8,970,000.00 and obligations due on lease-purchase transactions in the amount of \$7,497,000.00. There is no longer any Type I District debt outstanding.
10. Cash Management: The investment policy of the District is guided in large part by state statute as detailed in the "Notes to Financial Statements", Note 2. The District deposits its funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
11. Risk Management: The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents fidelity bonds, health insurance benefit plan and workers' compensation fund.
12. Other Information:


A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Hodulik & Morrison, P.A., CPA's, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984, as amended, and the related OMB Circular A-133 and New Jersey OMB Circular 04-04. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

13. Acknowledgments:

We would like to express our appreciation to the members of the Edison School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administrative office staff.

Respectfully submitted,

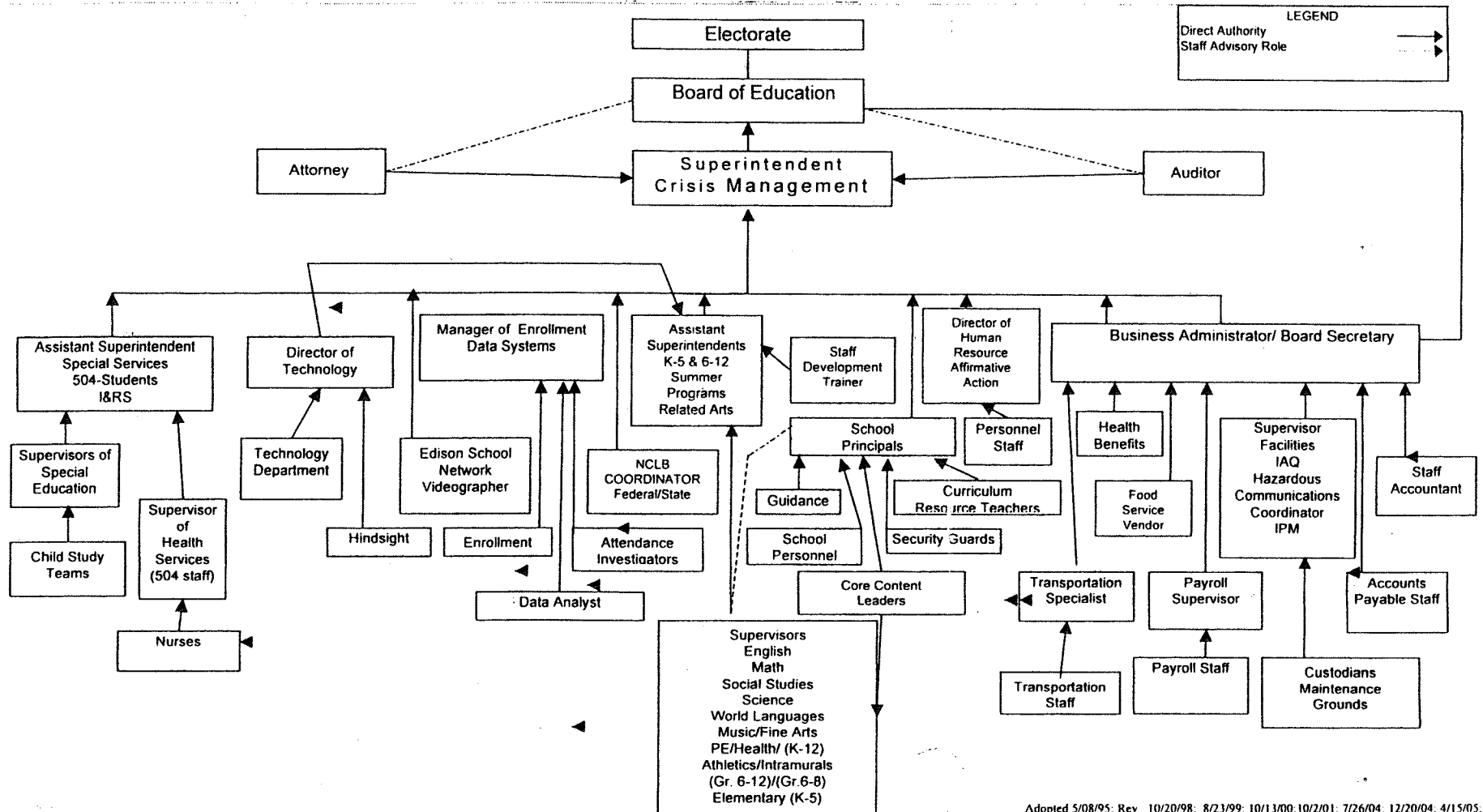
  
Richard O'Malley, Ed.D.  
Superintendent of Schools

  
Daniel P. Michaud  
Board Secretary/Business Administrator

# PUBLIC SCHOOLS OF EDISON TOWNSHIP

## TABLE OF ORGANIZATION

- REVISED 1-21-11-



Adopted 5/08/95; Rev 10/20/98; 8/23/99; 10/13/00; 10/2/01; 7/26/04; 12/20/04; 4/15/05;  
 7/1/05; 7/21/05; 5/8/06; 10/31/06; 8/22/07; 9/21/07; 12/7/07; 7/18/08; 1/1/09  
 7/1/09; 1-21-11

EDISON BOARD OF EDUCATION  
MIDDLESEX COUNTY, NEW JERSEY

ROSTER OF OFFICIALS  
JUNE 30, 2012

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Gene I. Maeroff, President	2014
Veena Iyer, Vice President	2013
Deborah A. Anes	2015
Lori A. Bonderowitz	2013
Lora L. Fong	2015
Dr. Frank Heelan	2014
Sapana Shah	2014
Theresa E. Ward	2013
Margot Harris	2015

Other Officials

Richard J. O'Malley, Ed.D., Superintendent of Schools

Margaret DeLuca, Assistant Superintendent of Curriculum

AnnMarie Griffin-Ussak, Assistant Superintendent of Curriculum

Christopher Conklin, Assistant Superintendent of Pupil/Special Services

Daniel P. Michaud, Business Administrator/Board Secretary

Agnes Yang, Treasurer of School Monies

Schwartz, Simon, Edelstein & Celso, LLC, Board Attorney

**TOWNSHIP OF EDISON SCHOOL DISTRICT**  
**CONSULTANTS AND ADVISORS**

**ARCHITECT**

USA Architects, Planners + Interior Designers, P.A.  
20 North Doughty Avenue  
Somerville, NJ 08876

**ATTORNEY**

Jonathan M. Busch, Esq.  
Schwartz, Simon, Edelstein & Celso LLC  
100 South Jefferson Road  
Suite 200  
Whippany, NJ 07981

**AUDIT FIRM**

Hodulik and Morrison, P.A.  
1102 Raritan Avenue  
Highland Park, NJ 08904

**OFFICIAL DEPOSITORY**

TD Bank  
70 Middlesex Avenue  
Metuchen, NJ 08840



## **FINANCIAL SECTION**

**HODULIK & MORRISON, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS  
PUBLIC SCHOOL ACCOUNTANTS  
1102 RARITAN AVENUE, P.O. BOX 1450  
HIGHLAND PARK, NJ 08904  
(732) 393-1000  
(732) 393-1196 (FAX)  
(E-MAIL) admin@hm-pa.net

ANDREW G. HODULIK, CPA, RMA, PSA  
ROBERT S. MORRISON, CPA, RMA, PSA

JO ANN BOOS, CPA, PSA

MEMBERS OF:  
AMERICAN INSTITUTE OF CPA'S  
NEW JERSEY SOCIETY OF CPA'S  
REGISTERED MUNICIPAL ACCOUNTANTS OF N.J

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Township of Edison School District  
County of Middlesex  
Edison, New Jersey

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Township of Edison School District, in the County of Middlesex, State of New Jersey, as of and for the year ended June 30, 2012, which collectively comprise the district's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township of Edison Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance and Regulatory Compliance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Township of Edison School District, in the County of Middlesex, State of New Jersey, as of June 30, 2012 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2012 on our consideration of the Township of Edison School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal

control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Edison Board of Education's, County of Middlesex, New Jersey, basic financial statements. The accompanying introductory section, and other supplementary information, including the combining and individual fund financial statements, long-term debt schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and are not a required part of the basic financial statements. The combining and individual fund financial statements, long-term debt schedules and schedules of federal awards and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Hodulik & Morrison, P.A.*

HODULIK & MORRISON, P.A.  
Certified Public Accountants  
Public School Accountants

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Andrew G. Hodulik  
Public School Accountant  
PSA # 841

Highland Park, New Jersey  
November 30, 2012

**HODULIK & MORRISON, P.A.**

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**PART I**

## **EDISON TOWNSHIP SCHOOL DISTRICT**

**Edison, New Jersey**

**Middlesex County**

### **MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

**(Unaudited)**

**June 30, 2012**

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2012. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### **FINANCIAL HIGHLIGHTS**

The key financial highlights for the 2011-2012 fiscal year include the following:

Total net assets for governmental activities are reported at \$91,291,610.72 at June 30, 2012. This represents an increase of \$4,992,078.48 or 5.78% over the prior year reported net assets. This increase is primarily the result of additional grant funding received and a positive variance in expenditures during the reporting period. Governmental funds reported a total fund balance of \$12,915,960.64, which is a 19.64% increase over last year's total governmental fund balance. The general or operating fund balance is reported at \$11,672,629.40, representing capital, maintenance and emergency reserves of \$2,234,533.30; regulatory excess surplus of \$2,676,682.18; assigned fund balance designated for subsequent years expenditures of \$3,870,452.00 and unassigned general fund balance in the amount of \$2,890,961.62. The ending fund balance was impacted by the non-recognition, on a GAAP basis, of State Aid payments deferred to July 2012 in the amount of \$3,322,945.00 in the general fund that was due the district at June 30, 2012. Total expenditures for all governmental funds were \$227,085,172.11, which included transfers out to charter schools and other items. Total revenues were \$229,175,692.97 with a total change in fund balances of \$2.31 million for the year. Revenues included \$39.3 million in state and federal aid and \$188.29 million in local taxes.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the district:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the district operated like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationship in which the district acts solely as a trustee or agent for the benefits of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1**  
***Organization of the School District Annual Financial Report***

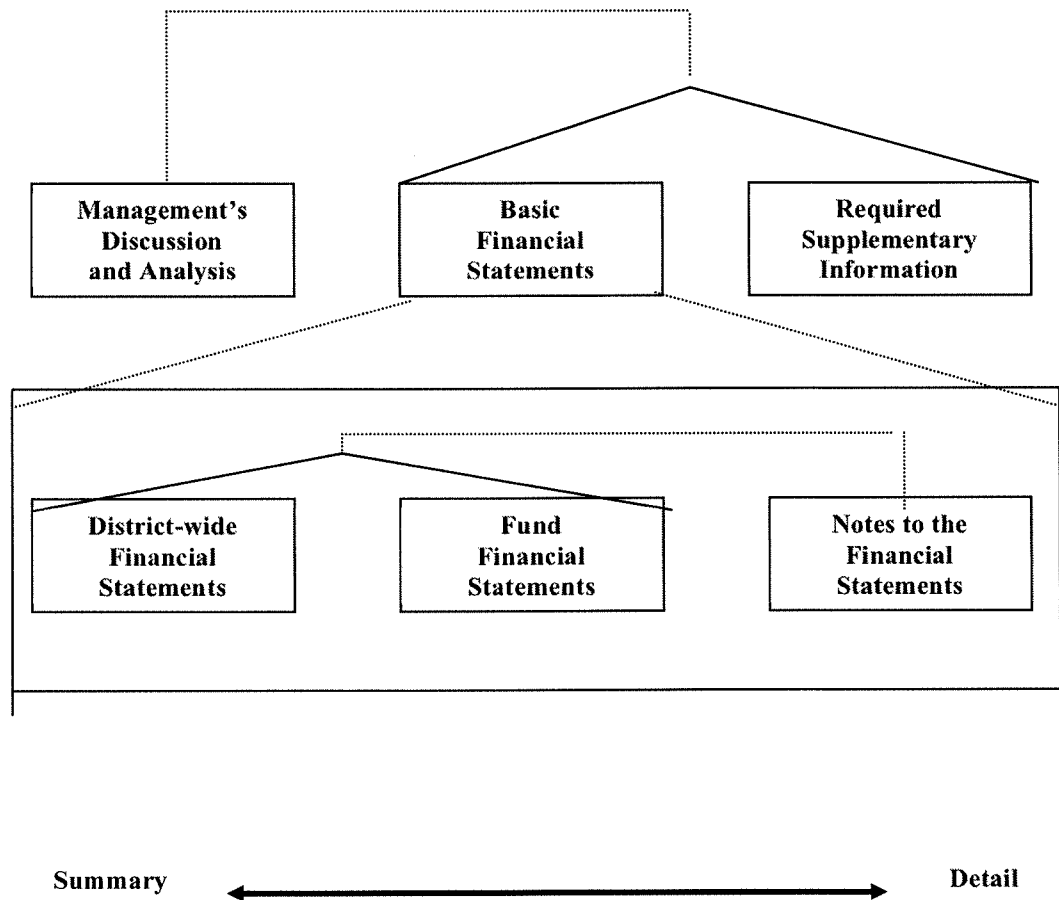


Figure A-2 summarizes the major features of the district's financial statements, including the portion of the district's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2  
Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services and adult education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial Statements	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net assets</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net assets</li> <li>• Statement of changes in fiduciary net assets</li> </ul>
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

## District-wide Statements

The district-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the district's net assets and how they have changed. Net assets - the difference between the district's assets and liabilities - is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profit as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the district.

In the district-wide financial statements, the district's activities are divided into two categories:

- Governmental activities: Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- Business-type activities: The district charges fees to help it cover the costs of certain services it provides. The district's adult education programs and food services are included here.

## Fund Financial Statements

The fund financial statements provide more detailed information about the district's funds, focusing on its most significant or "major" funds – not the district as a whole. Funds are accounting devices the district uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The district establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).



The district has three kinds of funds:

- **Governmental funds:** Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Proprietary funds:** Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.
- **Fiduciary funds:** The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund and the student activities funds. The district is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The district excludes these activities from the district-wide financial statements because it cannot use these assets to finance its operations.

#### FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net assets were \$91,291,610.72 at June 30, 2012. Of this amount, \$4,140,115.67 was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those net assets for day-to-day operations. The following analysis focuses on the net assets (Figure A-3) and change in net assets (Figure A-4) of the school district's governmental activities.

The \$4,140,115.67 amount in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our non-capital liabilities (compensated absences for example), we would have a \$4,140,115.67 balance.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities. Figure A-4 takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

Figure A - 3

Net Assets

	Governmental Activities 2012	Governmental Activities 2011	% Increase (Decrease)	Increase/ Decrease
Assets				
Current and other assets	\$ 21,964,934	\$ 17,613,588	24.70%	\$ 4,351,346
Capital assets	97,842,969	95,564,089	11.51%	\$ 2,278,880
Total assets	119,807,904	113,177,677	5.86%	\$ 6,630,226
Liabilities				
Current and other liabilities	11,704,071	7,136,254	64.01%	\$ 4,567,817
Long-term liabilities	16,812,222	19,741,891	-14.84%	\$ (2,929,669)
Total Liabilities	28,516,293	26,878,145	6.09%	\$ 1,638,148
Net assets				
Net assets invested in capital Assets net of debt	81,142,921	76,110,884	6.61%	\$ 5,032,037
Restricted	6,008,574	9,565,787	-37.19%	\$ (3,557,213)
Unrestricted	4,140,116	622,861	-564.69%	\$ 3,517,254
Total net assets	\$ 91,291,611	\$ 86,299,532	5.78%	\$ 4,992,078
Total net assets and liabilities	\$ 119,807,904	\$ 113,177,677	5.86%	\$ 6,630,226

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

Figure A - 4

Change in Net Assets

	2012	2011	Increase (Decrease)
Revenues:			
Program revenue			
State grants & entitlements	\$ 18,842,300	\$ 14,936,721	\$ 3,905,579
General revenue			
Local tax levy	188,291,721	185,081,031	3,210,690
Federal and state aid	20,419,024	20,289,867	129,157
Miscellaneous revenues (Incl. special items & transfers)	1,619,341	2,560,412	(941,071)
Total general revenues	210,330,086	207,931,310	2,398,776
Total revenues	\$ 229,172,386	\$ 222,868,031	\$ 6,304,355
Function/program expense:			
Instruction			
Regular programs	77,501,977	75,824,065	1,677,912
Special programs	22,150,583	22,483,000	(332,417)
Other Instructional programs	1,788,852	2,988,439	(1,199,587)
Support services			
Student services	23,598,078	21,848,881	1,749,197
Tuition	10,463,006	10,462,183	823
Instructional staff support			
General administration and business services	5,520,361	5,071,594	448,767
School administration	6,292,457	3,980,845	2,311,611
Plant services	15,970,556	15,628,152	342,403
Student transportation	9,477,918	8,714,374	763,544
Unallocated benefits	49,696,265	43,631,352	6,064,913
Unallocated depreciation and amortization	726,878	1,073,275	(346,398)
Community service	283,557	178,176	105,382
Interest on long-term debt	492,801	687,456	(194,655)
Transfers	217,020	127,134	89,886
Total expenses	\$ 224,180,308	\$ 212,698,926	\$ 11,481,382
Increase (Decrease) net assets	\$ 4,992,078	\$ 10,169,105	\$ (5,177,027)

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

### Governmental Activities

As reported in the Statement of Activities, the cost of all our governmental activities this year was \$223,963,287.63. These costs were financed by \$188,291,721.00 in local property school taxes \$39,261,324.47 in federal and state aid and \$1,619,340.64 in miscellaneous revenues including interest, general entitlements, special items and transfers.

In Figure A-5, below, we have presented the cost of each of the school district's seven largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

Figure A-5

### Governmental Activities

#### Total Cost of Services

	<u>Year Ended June 30, 2012</u>	<u>Year Ended June 30, 2011</u>
Regular programs instruction	\$77,501,977	\$75,824,065
Unallocated benefits	49,696,265	43,631,352
Special programs instruction	22,150,583	22,483,000
Student services	23,598,078	21,848,881
Plant services	15,970,556	15,628,152
Tuition	10,463,006	10,462,183
Pupil transportation	9,477,918	8,714,374
All others	<u>15,321,925</u>	<u>14,106,919</u>
Total	<u>\$224,180,308</u>	<u>\$212,698,926</u>

As depicted above, unallocated benefits increased by \$6,064,913 over the prior year, primarily due to the State payment for T.P.A.F. pension costs in the current year that had not been paid in the previous year.

### Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of \$12,915,961, which is an increase of \$2,120,559 from last year.. As noted previously, the reported governmental fund balance is impacted by the non-recognition, on a GAAP basis, of State Aid payments deferred to July 2012 in the combined amount of \$3,322,945.

### General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a deficiency/deficit.

Actual revenues reflect a positive variance of \$22.5 million. This is due primarily to the State reimbursement in the amount of \$18.3 million for TPAF On-Behalf pension non-contributory insurance, post retirement medical contributions and TPAF social security contributions. This is always a non-budgeted item that the State requires be included in the District's financial statements.

Actual expenditures reflect a negative variance of \$17.6 million even though several budget lines show a positive variance. This again is primarily due to the State requirement to include TPAF On-behalf pension and post retirement medical contributions and TPAF social security contributions in the financial statements.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2012, the school district had \$166,430,204 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements and furniture and equipment. Net governmental capital assets realized a net increase (including additions, deductions and depreciation) of \$2,278,880, or 2.38% percent, from last year.

Figure A-6  
Capital Assets at Year-End

<u>Governmental Activities</u>	<u>2012</u>	<u>2011</u>
Land	\$20,571,074	\$20,571,074
Buildings and Improvements	132,364,244	129,639,502
Furniture, Equipment and Vehicles	<u>13,494,886</u>	<u>11,144,958</u>
Total	<u>\$166,430,204</u>	<u>\$161,355,534</u>

As noted above, this year's net additions are reported at \$2,278,880. The additions were financed through state grants, a lease purchase agreement, and capital outlay appropriations.

### Long-Term Debt

At the end of this year, the school district had \$16,467,000 in bonds (Type II debt), capital leases and lease purchase agreements outstanding versus \$19,453,205 the previous year – a decrease of 15.35%. The long-term debt at of the District consisted of:

Figure A-7  
Outstanding Debt, at Year-End  
Governmental Activities

	<u>2012</u>	<u>2011</u>
Lease purchase obligations & capital leases	\$7,497,000	\$9,633,205
General obligation bonds (Type II debt)	<u>8,970,000</u>	<u>9,820,000</u>
Total	<u>\$16,467,000</u>	<u>\$19,453,205</u>

The school district's general obligation bond rating continues to be above investment grade. The state limits the amount of general obligation debt that Districts can issue to 4% (for K through 12 districts) of the most recent three-year average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding and authorized but not issued general obligation debt (Type II debt) of \$8,970,000 at June 30, 2012, is significantly below the \$622,336,277 statutorily-imposed limit.

Other obligations include accrued vacation pay and sick leave. We present more detailed information about our long-term liabilities in the notes to the financial statement.

## THE FACTORS AFFECTING DISTRICT'S FUTURE

- Edison is hopeful that the state aid increases will continue but with the federal and state economies still struggling, there is uncertainty as to the level of state aid that will be provided for future budgets.
- In 2012, Edison Township experienced a significant reduction in it's ratable base for the fourth straight year. Additional tax appeals are being filed and there is a fear that further erosion of the ratable base will continue forcing the tax rate to rise.
- The Edison Board of Education successfully completed collective bargaining with the Edison Township Education Association (certified & non-certified) in May, 2012 for the 2011-12 through 2013-14 school years. In addition, the Board completed the negotiations with the Edison Principals and Supervisors Association for the school years 2012-13 through 2014-15. The Edison Public Schools Custodians and Maintenance Association and the Edison Facilities, Maintenance and Management Association collective bargaining agreements expire as of June 30, 2013.
- Edison's student enrollment continues to increase annually. These additional students add to the already overcrowded schools. The district has been unsuccessful in gaining public support for a capital improvement bond to expand the schools, but with the closing of the Sgt. J.W. Kilmer Army Reserve Center in Edison and in accordance with the Defense Base Closure and Realignment Act of 1990, the Edison Board of Education applied for one of the existing buildings with plans to retrofit the building as an elementary school. The process has taken years, however, during the 2012-2013 school year, the district is anticipating that title will be transferred to the district. In preparation for the day that the District receives the title, the Board has contracted with an architect to draw plans for a kindergarten to grade two school which will have approximately 12 classrooms and house between 225-250 students. In addition, the district has funded a capital reserve account with the estimated \$3,000,000 that will be needed to renovate the former office building into an elementary school. Once completed, the students reassigned to the new school will help in alleviating some of the existing capacity issues.
- With the completion of the science room addition at John P. Stevens High School in 2010, the Board had committed to provide a similar science wing addition at Edison High School. The District's architect was contracted to prepare plans for the addition and submit the plans to the state for approval. The Board is planning to fund the addition with a five year lease purchase, which is the same method that was used for the John P. Stevens High School addition.

## CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact Daniel P. Michaud, Business Administrator/Board Secretary, at Edison Township Board of Education, 312 Pierson Avenue, Edison, New Jersey 08837.

## **BASIC FINANCIAL STATEMENTS**

# **DISTRICT-WIDE FINANCIAL STATEMENTS**

## **SECTION – A**



**EDISON TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2012**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 16,382,126.04	\$ 1,332.49	\$ 16,383,458.53
Receivables, net	3,138,444.84	99,773.60	3,238,218.44
Receivables from other funds		249,994.73	249,994.73
Inventory		53,695.57	53,695.57
Restricted assets:			
Capital reserve account - cash	2,234,533.30		2,234,533.30
Unamortized issuance costs on refinancing	208,302.48		208,302.48
Unamortized discount on refinancing	1,527.56		1,527.56
Capital assets, net:	97,842,969.44	81,006.67	97,923,976.11
Total Assets	<u>119,807,903.66</u>	<u>485,803.06</u>	<u>120,293,706.72</u>
<b>LIABILITIES</b>			
Accounts payable	5,525,662.02	121,963.39	5,647,625.41
Accrued interest payable	194,156.99		194,156.99
Interfund payable	249,994.73		249,994.73
Claims payable	2,738,581.00		2,738,581.00
Deferred revenue	470,878.90	57,115.05	527,993.95
Noncurrent liabilities:			
Due within one year	2,646,051.00		2,646,051.00
Due beyond one year	16,812,222.00		16,812,222.00
Unamortized premium on refinancing	251,009.60		251,009.60
Deferred amount on refinancing	(372,263.30)		(372,263.30)
Total liabilities	<u>28,516,292.94</u>	<u>179,078.44</u>	<u>28,695,371.38</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	81,142,921.44	81,006.67	81,223,928.11
Restricted for:			
Capital projects	3,396,295.68		3,396,295.68
Debt Service	81,568.86		81,568.86
Other Purposes	2,530,709.07		2,530,709.07
Unrestricted (Deficit)	4,140,115.67	225,717.95	4,365,833.62
Total net assets	<u>\$ 91,291,610.72</u>	<u>\$ 306,724.62</u>	<u>\$ 91,598,335.34</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**EDISON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
						Total
Governmental activities:						
Instruction:						
Regular	\$ 77,501,976.87	\$	\$	\$	(77,501,976.87)	\$ (77,501,976.87)
Special education	20,533,555.98				(20,533,555.98)	(20,533,555.98)
Other special instruction	1,617,027.16				(1,617,027.16)	(1,617,027.16)
Other Instruction	1,788,851.57				(1,788,851.57)	(1,788,851.57)
Support services:						
Tuition	10,463,005.60				(10,463,005.60)	(10,463,005.60)
Student & instruction related services	23,598,077.91				(23,598,077.91)	(23,598,077.91)
School administrative services	6,292,456.60				(6,292,456.60)	(6,292,456.60)
General and business administrative services	5,520,360.98				(5,520,360.98)	(5,520,360.98)
Plant operations and maintenance	15,970,555.62				(15,970,555.62)	(15,970,555.62)
Pupil transportation	9,477,917.88				(9,477,917.88)	(9,477,917.88)
Unallocated benefits	49,696,265.37		18,296,710.45		(31,399,554.92)	(31,399,554.92)
Special schools	283,557.20				(283,557.20)	(283,557.20)
Interest on long-term debt	492,801.22		545,590.00		52,788.78	52,788.78
Other related capital assets and debt (net)	-				-	-
Unallocated depreciation and amortization	726,877.67				(726,877.67)	(726,877.67)
Total governmental activities	223,963,287.63	-	18,842,300.45	-	(205,120,987.18)	(205,120,987.18)
Business-type activities:						
Food Service	4,399,931.00	2,744,291.91	1,576,359.64			(79,279.45)
Total business-type activities	4,399,931.00	2,744,291.91	1,576,359.64	-		(79,279.45)
Total primary government	\$ 228,363,218.63	\$ 2,744,291.91	\$ 20,418,660.09	\$ -	\$ (205,120,987.18)	\$ (79,279.45)
General revenues:						
Taxes:						
Property taxes, levied for general purposes, net				\$ 186,903,983.00	\$ -	\$ 186,903,983.00
Taxes levied for debt service				1,387,738.00	-	1,387,738.00
Federal and State aid not restricted				14,908,375.38		14,908,375.38
Federal and State aid restricted				5,510,648.64	-	5,510,648.64
Tuition received				357,726.53	-	357,726.53
Miscellaneous Income				1,264,920.97	221.56	1,265,142.53
Other item(s)—Charges and Adjustments				(3,306.86)		(3,306.86)
Transfers In (Out)				(217,020.00)		(217,020.00)
Total general revenues, special items, extraordinary items and transfers				210,113,065.66	221.56	210,113,287.22
Change in Net Assets				4,992,078.48	(79,057.89)	4,913,020.59
Net Assets—beginning				86,299,532.24	385,782.51	86,685,314.75
Net Assets—ending				\$ 91,291,610.72	\$ 306,724.62	\$ 91,598,335.34

The accompanying Notes to Financial Statements are an integral part of this statement.

**FUND FINANCIAL STATEMENTS**

**SECTION – B**

## **GOVERNMENTAL FUNDS**

EDISON TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 14,077,399.56	\$ -	\$ -	\$ 81,568.86	\$ 14,158,968.42
Cash - Trustee			1,609,111.33		1,609,111.33
Due from other funds	543,652.44		477,922.44		1,021,574.88
Receivables from other governments	507,094.63	1,471,829.05	1,155,777.61		3,134,701.29
Other receivables		3,743.55			3,743.55
Restricted cash and cash equivalents	2,234,533.30				2,234,533.30
Total assets	<u>17,362,679.93</u>	<u>1,475,572.60</u>	<u>3,242,811.38</u>	<u>81,568.86</u>	<u>22,162,632.77</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	2,580,359.76	813,076.96	2,081,049.00		5,474,485.72
Payables to state government		50,893.00			50,893.00
Payables to federal government		283.30			283.30
Interfund payable	2,706,478.77	543,652.44			3,250,131.21
Deferred revenue	403,212.00	67,666.90			470,878.90
Total liabilities	<u>5,690,050.53</u>	<u>1,475,572.60</u>	<u>2,081,049.00</u>		<u>9,246,672.13</u>
Fund Balances:					
Restricted for:					-
Capital, maintenance and emergency reserve account	2,234,533.30				2,234,533.30
Debt Service				81,568.86	81,568.86
Excess surplus - prior year	1,972,348.62				1,972,348.62
Excess surplus - current year	704,333.56				704,333.56
Committed for:					
Capital projects			1,161,762.38		1,161,762.38
Assigned:					
Designated for Subsequent Years Expenditures	1,500,000.00				1,500,000.00
Designated for Subsequent Years Expenditures -					
Capital Reserve	2,370,452.00				2,370,452.00
Unassigned	2,890,961.92				2,890,961.92
Total Fund balances	<u>11,672,629.40</u>	<u>-</u>	<u>1,161,762.38</u>	<u>81,568.86</u>	<u>12,915,960.64</u>
Total liabilities and fund balances	\$ <u>17,362,679.93</u>	\$ <u>1,475,572.60</u>	\$ <u>3,242,811.38</u>	\$ <u>81,568.86</u>	\$ <u>22,162,632.77</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

EDISON TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012

Amounts reported for <i>governmental activities</i> in the statement of net assets (A-1) are different because:	\$ 12,915,960.64
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$145,859,129.32 and the accumulated depreciation is \$68,587,234.32.	97,842,969.44
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Illustrative Note 4)	(19,458,273.00)
Short-term Liabilities, including accrued interest on long-term debt, are not due payable in the current period and therefore are not reported as liabilities in the funds.	(194,156.99)
Transactions related to a current refunding of a long-term debt, refinancing of lease agreement are not reported in the funds.	
Cost of issuance, net of amortization	208,302.48
Issuance discount, net of amortization	1,527.56
Issuance premium, net of amortization	(251,009.60)
Deferred amount on refunding, net of amortization	372,263.30
Internal Service Fund -- Workers Compensation	<u>(145,973.11)</u>
Net assets of governmental activities	\$ <u><u>91,291,610.72</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**EDISON TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local tax levy	\$ 186,903,983.00			\$ 1,387,738.00	\$ 188,291,721.00
Tuition charges	357,726.53				357,726.53
Transportation charges	773,675.85				773,675.85
Miscellaneous	418,049.08				418,049.08
Local sources		73,196.04			73,196.04
State sources	32,521,560.13	838,208.97	-	545,590.00	33,905,359.10
Federal sources	683,525.70	4,672,439.67			5,355,965.37
Total revenues	<u>221,658,520.29</u>	<u>5,583,844.68</u>	<u>-</u>	<u>1,933,328.00</u>	<u>229,175,692.97</u>
<b>EXPENDITURES</b>					
Current:					
Regular instruction	74,684,942.31				74,684,942.31
Special education instruction	19,211,070.33	1,322,485.65			20,533,555.98
Other special instruction	1,617,027.16				1,617,027.16
Other instruction	1,788,851.57				1,788,851.57
Support services and undistributed costs:					
Tuition	10,463,005.60				10,463,005.60
Student & instruction related services	19,390,459.88	4,207,618.03			23,598,077.91
School administrative services	6,263,585.58				6,263,585.58
General & other administrative services	5,520,360.98				5,520,360.98
Plant operations and maintenance	15,970,555.62				15,970,555.62
Pupil transportation	9,477,917.88				9,477,917.88
Unallocated Benefits	47,661,927.84				47,661,927.84
Special schools	283,557.20				283,557.20
Debt service:					
Principal				1,435,000.00	1,435,000.00
Interest and other charges				548,228.89	548,228.89
Capital outlay	4,782,989.68	53,741.00	2,184,826.91		7,021,557.59
Total expenditures	<u>217,116,251.63</u>	<u>5,583,844.68</u>	<u>2,184,826.91</u>	<u>1,983,228.89</u>	<u>226,868,152.11</u>
Excess (Deficiency) of revenues over expenditures	<u>4,542,268.66</u>	<u>-</u>	<u>(2,184,826.91)</u>	<u>(49,900.89)</u>	<u>2,307,540.86</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital leases (non-budgeted)	33,345.00				33,345.00
Prior Year Accounts Receivables/Payables Adjusted - Net	66,044.14				66,044.14
Debt Service Aid Adjustment	(69,351.00)				(69,351.00)
Transfers out - Charter School	(217,020.00)				(217,020.00)
Total other financing sources and uses	<u>(186,981.86)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(186,981.86)</u>
Net change in fund balances	4,355,286.80	-	(2,184,826.91)	(49,900.89)	2,120,559.00
Fund balance—July 1	7,317,342.60		3,346,589.29	131,469.75	10,795,401.64
Fund balance—June 30	<u>\$ 11,672,629.40</u>	<u>\$ -</u>	<u>\$ 1,161,762.38</u>	<u>\$ 81,568.86</u>	<u>\$ 12,915,960.64</u>

The accompanying Notes to Financial Statements are an integral part of this exhibit.

**EDISON TOWNSHIP SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2012**

**Total net change in fund balances - governmental funds (from B-2)** **\$ 2,120,559.00**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense	(3,362,304.14)	
Capital outlays	5,641,184.57	2,278,880.43

Repayment of bond and lease obligation (long-term debt) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. 2,786,502.00

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Proceeds of long-term debt	-
Proceeds of Refunding Bonds	
Defeasance of Refunded Bonds	
Lease Purchase Agreements	-
Capital lease proceeds	(33,345.00)

In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-) -

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The difference in accrued interest is an addition/subtraction in the reconciliation. 55,427.67

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (127,191.25)

Transactions related to the refunding of long-term debt, refinancing of lease obligations (costs of issuance, premium on refinancing, deferred amount on refinancing)

Amortization Expense - Net (54,416.84)

Internal Service Fund-Workers Compensation, change in net assets (2,034,337.53)

**Change in net assets of governmental activities** **\$ 4,992,078.48**

**The accompanying Notes to Financial Statements are an integral part of this statement.**



## **PROPRIETARY FUNDS**

**EDISON TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET ASSETS**  
**PROPPRIETARY FUNDS**  
**JUNE 30, 2012**

	<b>Business-type Activities - Enterprise Funds</b>		<b>Governmental Activities - Internal Service Fund</b>
	<b>Food Service</b>	<b>Totals</b>	
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,332.49	\$ 1,332.49	\$ 614,046.29
Accounts receivable	99,773.60	99,773.60	
Interfund receivable	249,994.73	249,994.73	1,978,561.60
Inventories	53,695.57	53,695.57	-
Total current assets	<u>404,796.39</u>	<u>404,796.39</u>	<u>2,592,607.89</u>
Noncurrent assets:			
Furniture, machinery & equipment	801,185.32	801,185.32	-
Less accumulated depreciation	<u>(720,178.65)</u>	<u>(720,178.65)</u>	<u>-</u>
Total noncurrent assets	<u>81,006.67</u>	<u>81,006.67</u>	<u>-</u>
Total assets	<u><u>485,803.06</u></u>	<u><u>485,803.06</u></u>	<u><u>2,592,607.89</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	121,963.39	121,963.39	
Accrued liability for claims payable	-	-	2,738,581.00
Deferred revenue	57,115.05	57,115.05	
Total current liabilities	<u>179,078.44</u>	<u>179,078.44</u>	<u>2,738,581.00</u>
Total liabilities	<u>179,078.44</u>	<u>179,078.44</u>	<u>2,738,581.00</u>
<b>NET ASSETS</b>			
Invested in capital assets net of related debt	81,006.67	81,006.67	-
Unrestricted (Deficit)	225,717.95	225,717.95	(145,973.11)
Total net assets	<u><u>\$ 306,724.62</u></u>	<u><u>\$ 306,724.62</u></u>	<u><u>\$ (145,973.11)</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**EDISON TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Total Enterprise Fund</b>	<b>Governmental Activities - Internal Service Fund</b>
	<b>Food Service</b>		
<b>Operating revenues:</b>			
Charges for services:			
Daily sales - reimbursable programs	\$ 2,417,815.54	\$ 2,417,815.54	\$
Daily sales - non-reimbursable programs	326,476.37	326,476.37	
Total operating revenues	<u>2,744,291.91</u>	<u>2,744,291.91</u>	<u>-</u>
<b>Operating expenses:</b>			
Cost of sales	1,776,585.34	1,776,585.34	
Salaries	1,154,645.89	1,154,645.89	
Employee benefits	391,612.87	391,612.87	2,034,337.53
Supplies and Materials - Semi-Variable Costs	285,194.31	285,194.31	
Food Costs - Food Distribution Program	235,330.48	235,330.48	
Depreciation	10,562.06	10,562.06	
General & Administration	349,742.45	349,742.45	
Miscellaneous	196,257.60	196,257.60	
Total Operating Expenses	<u>4,399,931.00</u>	<u>4,399,931.00</u>	<u>2,034,337.53</u>
Operating income (loss)	<u>(1,655,639.09)</u>	<u>(1,655,639.09)</u>	<u>(2,034,337.53)</u>
<b>Nonoperating revenues (expenses):</b>			
State sources:			
State school lunch program	43,927.77	43,927.77	-
Federal sources:			
National school lunch program	1,142,086.68	1,142,086.68	-
School breakfast program	145,994.61	145,994.61	
After School Snack Program	9,020.10	9,020.10	
Food distribution program	235,330.48	235,330.48	-
Interest Income	221.56	221.56	
Total nonoperating revenues (expenses)	<u>1,576,581.20</u>	<u>1,576,581.20</u>	<u>-</u>
Income (loss) before contributions & transfers	(79,057.89)	(79,057.89)	(2,034,337.53)
<b>Transfers in (out)</b>			
Change in net assets	<u>(79,057.89)</u>	<u>(79,057.89)</u>	<u>(2,034,337.53)</u>
Total net assets—beginning	<u>385,782.51</u>	<u>385,782.51</u>	<u>1,888,364.42</u>
Total net assets—ending	<u>\$ 306,724.62</u>	<u>\$ 306,724.62</u>	<u>\$ (145,973.11)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**EDISON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Busines-type Activities - Enterprise Fund</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 2,782,797.74	\$
Payments for employee benefits		(326,058.64)
Payments to suppliers	(4,126,228.75)	
Net cash provided by (used for) operating activities	<u>(1,343,431.01)</u>	<u>(326,058.64)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Federal and State Sources	1,341,029.16	
Interest Income	221.56	
Operating subsidies and transfers from/to other funds	-	-
Net cash provided by (used for) non-capital financing activities	<u>1,341,250.72</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(2,180.29)	(326,058.64)
Balances—beginning of year	3,512.78	940,104.93
Balances—end of year	<u>\$ 1,332.49</u>	<u>\$ 614,046.29</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (1,655,639.09)	\$ (2,034,337.53)
Adjustments to reconcile operating income (loss) to net cash provided by (used for)(used for) operating activities		
Depreciation and net amortization	10,562.06	
Federal commodities	235,330.48	
(Increase) decrease in accounts receivable, net	(99,773.60)	
(Increase) decrease in interfund receivable	40,706.27	
(Increase) decrease in inventories	(34,829.97)	
Increase (decrease) in accrued liability for claims payable		1,479,653.57
Increase (decrease) in accounts payable	121,963.39	
Increase (decrease) in deferred revenue	38,249.45	
Increase (decrease) in interfunds payable		228,625.32
Total adjustments	<u>312,208.08</u>	<u>1,708,278.89</u>
Net cash provided by (used for) operating activities	<u>\$ (1,343,431.01)</u>	
Net increase (decrease) in cash and cash equivalents		<u>\$ (326,058.64)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

## **FIDUCIARY FUNDS**

**Edison School District  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2012**

	<u>Trust Funds</u>	<u>Agency Fund</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 902,414.84	\$ 1,693,353.74
	<u>902,414.84</u>	<u>1,693,353.74</u>
Total assets	<u>\$ 902,414.84</u>	<u>\$ 1,693,353.74</u>
<b>LIABILITIES</b>		
Payable to student groups	-	454,767.44
Payroll deductions and withholdings	-	1,168,278.77
Employee flexible spending	-	70,307.53
	<u>-</u>	<u>1,693,353.74</u>
Total liabilities	<u>\$ -</u>	<u>\$ 1,693,353.74</u>
<b>NET ASSETS</b>		
Held in trust for unemployment claims and other purposes	\$ 887,675.01	
Reserved for scholarships	<u>14,739.83</u>	
<b>TOTAL NET ASSETS</b>	<u>\$ 902,414.84</u>	

**The accompanying Notes to Financial Statements are an integral part of this statement.**

**Edison School District  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Year Ended June 30, 2012**

	Trust Funds	Agency Fund
<b>ADDITIONS</b>		
Contributions:		
District/Plan member	\$ 165,197.22	
Other	-	\$ 65,783,930.16
Total Contributions	<u>165,197.22</u>	<u>65,783,930.16</u>
Investment earnings:		
Interest	1,255.30	
Net investment earnings	<u>1,255.30</u>	-
Total additions	<u>166,452.52</u>	<u>65,783,930.16</u>
<b>DEDUCTIONS</b>		
Quarterly contribution reports	<u>381,599.75</u>	<u>65,783,930.16</u>
Total deductions	<u>381,599.75</u>	<u>65,783,930.16</u>
Change in net assets	(215,147.23)	-
Net assets—beginning of the year	<u>1,117,562.07</u>	-
Net assets—end of the year	<u><u>\$ 902,414.84</u></u>	<u><u>\$ -</u></u>

**The accompanying Notes to Financial Statements are an integral part of this statement.**

**EDISON SCHOOL DISTRICT**  
**COUNTY OF MIDDLESEX, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Board of Education (Board) of Edison School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments. This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, issued in June 1999.

The more significant of the Board's accounting policies are described below.

**A. Reporting Entity:**

The Edison School District is a Type II district located in the County of Middlesex, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the district is to educate students in grades K-12. The Edison School District had an approximate enrollment at June 30, 2012 of 14,194 students.

School District Type - Prior to November 3, 1992 and allowed under existing state statutes, the Edison Board of Education was classified as a Type I School district and did not issue debt as an autonomous agency. All debt for the school district was issued by the Township of Edison as a direct obligation of the municipality. Based on a decision by the electorate effective November 3, 1992, the Edison Board of Education operates as a Type II School District. As a result, the Debt Service Fund relating to the Township's Type I school debt is not included as part of the Edison Board of Education's Financial Statements. Pursuant to statute, bonds authorized by ordinances adopted by the governing body of a local unit while a District was a Type I school district, which remain unissued upon conversion to a Type II school district, shall be sold in accordance with the provisions for the issuance of a Type II school district and such ordinances shall be deemed to constitute a resolution duly approved on said dates by the legal voters of the school district, authorizing a board to issue bonds or notes of the school district for the purposes and in the amounts set forth in the ordinances.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization’s board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Basic Financial Statement Presentation**

The District-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the Statement of Fiduciary Net Assets at the Fund Financial Statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational; or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net assets are available. Depreciation expense can be specifically identified by function and is included in the district expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. The effect of interfund activity has been removed from these statements. Separate Fund Financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Internal Service Fund is presented in the proprietary fund financial statements. Because the principal user of the internal services are the District's governmental activities, the financial statement of the internal service fund is consolidated into governmental column when presented in the governmental financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the district's internal service fund is charges to customers for service. Operating expenses for the internal service fund include the cost of services. Revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the District-wide statements.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****B. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

**GOVERNMENTAL FUNDS**

**General Fund** - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election and lease purchase obligations authorized by the Board.

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds and lease purchase obligations issued to finance major property acquisition, construction and improvement programs.

**Permanent Fund** - The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the District's programs.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting (Cont'd):**

**PROPRIETARY FUNDS**

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

**Enterprise Funds** - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or non-current, associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund:	
Machinery & Equipment	5-15 Years

**Internal Service Fund** - The Internal Service Fund has been established to account for the financing of worker compensation risk management for the Edison School District.

**FIDUCIARY FUNDS**

**Employee Benefit Trust** - The Employee Benefit Trust (Unemployment Insurance) is used to report resources that are required to be held in trust for members and beneficiaries of employee benefit programs.

**Agency Funds** - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****C. Basis of Accounting and Measurement Focus:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

**Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within one year.

Ad Valorem (Property) Taxes are susceptible to accrual and under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

**Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred. The exception to this general rule is that interest and principal expenditures in the Debt Service Fund are recognized on their due dates.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

**D. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**D. Budgets/Budgetary Control (Cont'd):**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the general fund revenues and special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the special revenue funds from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

Note that the district does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment

Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$222,223,927.29	\$5,583,844.68
Difference – Budget to GAAP:		
Certain State aid payments recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	2,757,538.00	0.00
Certain State aid payments are recognized as revenue for budgetary purposes and differ from GAAP which does not recognize these revenues until the subsequent year when the State recognizes the related expenses (GASB 33)	<u>(3,322,945.00)</u>	<u>(0.00)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds.	<u>\$221,658,520.29</u>	<u>\$5,583,844.68</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$217,116,251.63	\$5,583,844.68
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$217,116,251.63</u>	<u>\$5,583,844.68</u>

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****E. Reserve for Encumbrances:**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**F. Cash, Cash Equivalents and Investments:**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District utilizes a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. GUDPA was amended, effective July 1, 2010, by P.L. 2009, c. 326. The amendments provide a greater level of security protection for covered deposits by increasing collateralization requirements and revising the enforcement protocol to allow for timely response in the event that a member bank shows signs of stress.

Under the new law, collateralization of GUDPA deposits up to 75% of New Jersey capital is based on a sliding scale that requires the minimum of 5% collateral for Well Capitalized institutions to a maximum of 120% collateral for Critically Undercapitalized institutions. All uninsured GUDPA deposits in excess of 75% of New Jersey capital require 100% collateral. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Government Units.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****G. Tuition Receivable**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**H. Tuition Payable**

Tuition charges for the fiscal years 2010-11 and 2011-12 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**I. Inventories and Prepaid Expenses:**

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2012.

**J. Short-Term Interfund Receivables/Payables:**

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

**K. Capital Assets:**

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of the donation. The district maintains a threshold level of \$2,000 or more for capitalizing capital assets. The system for accumulation of fixed assets cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the District-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment. Capital assets not being depreciated include land and construction in progress.

The District does not possess any material amounts of infrastructure capital assets such as sidewalks and parking lots. Such items are considered to be part of the cost of building or other reportable improvable property.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****L. Compensated Absences:**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. The non-current portion of the liability is not reported.

**M. Deferred Revenue:**

Deferred revenue in the various funds represents cash that has been received but not yet earned. See Note 1(E) regarding the special revenue fund.

**N. Long-term Obligations:**

In the government-wide financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discount on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

**O. Fund Equity:**

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

**P. Restricted Assets**

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as bond indenture.



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Q. Net Assets**

Net assets represent the difference between the assets and liabilities in the District-wide financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by outstanding balance of any long-term used in build or acquire the capital assets. Net assets are reported as restricted in the District-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**R. Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

State statutes set forth deposit requirements and investments that may be purchased by local units and the District deposits and invests its funds pursuant to statutory requirements, its policies and an adopted cash management plan.

**Deposits**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (FDIC), New Jersey's Governmental Unit Deposit Protection Act, by any other agencies of the United States that insures deposits or the State of New Jersey Cash Management Fund. The New Jersey Governmental Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain collateral in the amount of 5% of the average public deposits and deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000.00 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (GUDPA), N.J.S.A. 17:941, et seq., which insures all New Jersey governmental units' deposits in excess of the federal deposit insurance maximums.

Based upon GASB criteria, the District considers cash and cash equivalents to include petty cash, change funds, demand deposits, money market accounts and short-term investments and are either any direct and general obligation of the United States of America or certificates of deposit issued by any bank, savings and bank or national banking association if qualified to serve as a depository for public funds under the provisions of the Governmental Unit Depository Protection Act.

At June 30, 2012 the book value of the District's cash, cash equivalents and investments were \$21,213,760.41. At year-end, of the cash and cash equivalents on deposit, \$729,614.74 was covered by federal depository insurance and \$26,253,308.51 was covered under the provisions of NJGUDPA.

**NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The Edison Board of Education had the following depository accounts. All deposits are carried at cost plus accrued interest.

Depository Account	Bank Balance
Insured--FDIC	\$ 729,614.74
Insured—NJGUDPA (N.J.S.A. 17:941)	<u>26,253,308.51</u>
Total	<u>\$26,982,923.25</u>

**Custodial Credit Risk – Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the board's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2012, based upon the insured balances as provided by FDIC and NJGUDPA coverage, no amount of the Board's FDIC and NJGUDPA bank balances of \$20,941,505.47 were considered to be exposed to custodial risk. (See Note 1F relating to statutory mitigation of custodial risk in the event of a bank failure). Based upon existing investment policies, the District is generally not exposed to interest rate risk as investments are short-term thereby also mitigating credit risk and concentration of credit risk nor are its deposits and investments exposed to foreign currency risks.

**New Jersey Cash Management Fund** – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2012, the District had no funds on deposit with the New Jersey Cash Management Fund.

**Note 3: CAPITAL ASSETS NOTE DISCLOSURE**

The following is disclosure of information about capital assets. Capital asset activity for the year ended June 30, 2012 was as follows:

	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets That Are Not Being Depreciated:				
Land	\$ 20,571,074.44	\$	\$	\$ 20,571,074.44
Construction in Progress	-			-
Total Capital Assets Not Being Depreciated	20,571,074.44	-	-	20,571,074.44
Building and Building Improvements	129,639,501.75	2,724,740.97		132,364,242.72
Equipment	11,144,957.52	2,916,443.60	566,514.52	13,494,886.60
Totals at Historical Cost	140,784,459.27	5,641,184.57	566,514.52	145,859,129.32
Less Accumulated Depreciation For:				
Building and Improvements	59,294,696.67	2,350,311.85		61,645,008.52
Equipment	6,496,748.02	1,011,992.29	566,514.52	6,942,225.79
Total Accumulated Depreciation**	65,791,444.70	3,362,304.14	566,514.52	68,587,234.32
Total Capital Assets Being Depreciated (Net of Accumulated Depreciation)	74,993,014.57	2,278,880.43	-	77,271,895.00
Government Activities Capital Assets, Net	\$ 95,564,089.01	\$ 2,278,880.43	\$ -	\$ 97,842,969.44
Business-type Activities				
Equipment	801,185.32	-		801,185.32
Less Accumulated Depreciation for:				
Equipment	709,616.59	10,562.06		720,178.65
Business-type Activities Capital Assets, Net	\$ 91,568.73	\$ (10,562.06)	\$ -	\$ 81,006.67

\*\* Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 2,689,843.31
Direct expense of various functions	672,460.83
Total depreciation expense	\$ 3,362,304.14

**Note 4: LONG TERM DEBT DISCLOSURE**

The following is disclosure of information about long term liabilities. Long-term liability activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Adjustments</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$ 9,820,000.00	\$ -	\$ 850,000.00	\$ 8,970,000.00	\$ 870,000.00
Total Bonds Payable	<u>9,820,000.00</u>	<u>-</u>	<u>850,000.00</u>	<u>8,970,000.00</u>	<u>870,000.00</u>
Other Liabilities:					
Obligations Under Capital Lease	298,205.00	33,345.00	98,502.00	233,048.00	85,051.00
Lease Purchase Agreements	9,335,000.00		1,838,000.00	7,497,000.00	1,691,000.00
Compensated Absences Payable	<u>2,631,033.75</u>	<u>127,191.25</u>		<u>2,758,225.00</u>	
Total Other Liabilities	<u>12,264,238.75</u>	<u>160,536.25</u>	<u>1,936,502.00</u>	<u>10,488,273.00</u>	<u>1,776,051.00</u>
Total Liabilities	<u>\$ 22,084,238.75</u>	<u>\$ 160,536.25</u>	<u>\$ 2,786,502.00</u>	<u>\$ 19,458,273.00</u>	<u>\$ 2,646,051.00</u>

**A. Bonds Payable** - Bonds are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

Effective November 3, 1992, the District changed its designation from a Type I to a Type II school district. Under these circumstances and pursuant to statute, previously authorized and unissued Type I debt is to be issued by the school district in accordance with the provisions applicable to Type II school districts. The Board permanently financed previously issued outstanding notes and authorized but not issued debt in a sale of School Bonds dated August 15, 1995, in the amount of \$3,000,000. The following schedule sets forth the debt service requirements on the Type II debt.

Type II Debt:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2013	\$ 870,000	\$ 318,709	\$ 1,188,709
2014	870,000	289,959	1,159,959
2015	895,000	258,734	1,153,734
2016	915,000	225,671	1,140,671
2017	940,000	190,734	1,130,734
2018	965,000	155,662	1,120,662
2019	995,000	117,865	1,112,865
2020	1,020,000	77,470	1,097,470
2021	500,000	47,500	547,500
2022	500,000	28,750	528,750
2023	<u>500,000</u>	<u>10,000</u>	<u>510,000</u>
	<u>\$ 8,970,000</u>	<u>\$ 1,721,053</u>	<u>\$ 10,691,053</u>

**Note 4: LONG TERM DEBT DISCLOSURE (CONT'D.)**

**B. Capital Leases** - The District is leasing a copier, telephone, computer and other equipment under capital leases. All capital leases are for the terms of three to five years. The following is a schedule of the future minimum lease payments under this capital lease and including principal and interest payments.

Year ending June 30,	<u>Total</u>
2013	\$ 85,051.00
2014	85,051.00
2015	59,211.00
2016	<u>3,735.00</u>
	<u>\$ 233,048.00</u>

**C. Lease Purchase Obligations** - The District participated in the following lease purchase agreements for the acquisition of school equipment and improvements to its facilities. The following are schedules of the future lease payments under the respective lease purchase agreements, and the present value of net minimum lease payments.

1998-99 Woodbrook/ Lindeneau Improvs. - \$3,570,000.00

	Year Ended <u>June 30,</u>	<u>Amount</u>	Year Ended <u>June 30,</u>	<u>Amount</u>
	2013	\$ 268,087.50	2017	\$ 266,837.50
	2014	268,543.75	2018	270,318.75
	2015	268,450.00	2019	133,087.50
	2016	267,881.25		
Total Minimum Lease Payments				<u>1,743,206.25</u>
Less: Amount Representing Interest				<u>258,206.25</u>
Present Value of Net Minimum Lease Payments				<u>\$ 1,485,000.00</u>

2009-10 Roof Repairs & Renovations - \$3,745,000

	Year Ended <u>June 30,</u>	<u>Amount</u>	Year Ended <u>June 30,</u>	<u>Amount</u>
	2013	\$ 479,575.00	2017	\$ 483,375.00
	2014	482,725.00	2018	487,625.00
	2015	485,425.00		
	2016	487,675.00		
Total Minimum Lease Payments				<u>2,906,400.00</u>
Less: Amount Representing Interest				<u>316,400.00</u>
Present Value of Net Minimum Lease Payments				<u>\$ 2,590,000.00</u>

2009-10 JP Stevens 2nd Floor renovations - \$4,975,048

	Year Ended <u>June 30,</u>	<u>Amount</u>
	2013	\$ 1,194,553.60
	2014	1,206,988.80
	2015	<u>1,220,156.80</u>
Total Minimum Lease Payments		<u>3,621,699.20</u>
Less: Amount Representing Interest		<u>199,699.20</u>
Present Value of Net Minimum Lease Payments		<u>\$ 3,422,000.00</u>

**NOTE 5. PENSION PLANS**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Defined Contribution Retirement System (DCRP)** - The DCRP was established effective July 1, 2007 to provide coverage to certain elected and appointed officials who became excluded from the PERS system pursuant to the provisions of P.L. 2007, c. 92. In addition, certain members of the PERS and TPAF, enrolled after July 1, 2007 who earn salary in excess of those system's maximum compensation limits are eligible for DCRP membership for the compensation not credited to PERS or TPAF participation.

**Vesting and Benefit Provisions** - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**NOTE 5. PENSION PLANS (CONT'D)**

**Contribution Requirements** - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute, the District is a non-contributing employer of the TPAF.

DCRP requires employee contributions of 3% base salary.

**Three-Year Trend Information for PERS**

<b><u>Year Funding</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
6/30/12	\$ 2,083,891	100 %	\$ 0
6/30/11	2,023,211	100	0
6/30/10	1,522,856	100	0

**Three-Year Trend Information for TPAF (Paid on-behalf of the District, excluding post-retirement medical benefits which are reported in Note 6)**

<b><u>Year Funding</u></b>	<b><u>Annual Pension Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
6/30/12	\$ 3,381,123	Unknown %	\$ 0
6/30/11	319,134	Unknown	0
6/30/10	333,093	Unknown	0

During school years 2009-2010 and 2010-2011, the State of New Jersey made no on-behalf payments to the TPAF system for normal pension costs or accrued liability. The amounts reported above for the years ending June 30, 2010 and 2011 represents payments for the costs of non-contributory group life insurance premiums. In 2011-2012, the State's on-behalf payments consisted of \$3,053,447 of pension contributions and \$327,676 of NCGLI premiums. In accordance with N.J.S.A. 18A:66-66, the District recorded \$8,118,645.45 as reimbursements made by the State of New Jersey during the year ended June 30, 2012, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 24.

**NOTE 6. POST-EMPLOYMENT BENEFITS**

P.L. 1987, C. 384 and P.L. 1990, c.6 required Teacher's Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2011 there were 93,323 retirees receiving post-retirement medical benefits. The cost of these benefits is funded through contributions by the state in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The state is also responsible for the cost attributable to P.L. 1992 c. 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The state paid \$144 million toward Chapter 126 benefits for 15,709 eligible retired members for Fiscal Year 2011.

The Division of pensions issues a publicly available financial report that includes the financial statements and required supplementary information for the Health Benefits Program Fund – Local Government. This report may be accessed via the Division of Pensions and Benefits website, at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions), or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625. The State's contributions to the Health Benefits Program Fund on-behalf of the District for TPAF retiree health benefits, for the last three years, is as follows:

**Three-Year Trend Information for TPAF (Paid on-behalf of the District)**

<b><u>Year Funding</u></b>	<b><u>Annual Post Retirement Medical Cost (APC)</u></b>	<b><u>Percentage of APC Contributed</u></b>	<b><u>Net Pension Obligation</u></b>
6/30/12	\$ 6,796,942	100 %	\$ 0
6/30/11	6,778,421	100	0
6/30/10	6,255,949	100	0



**NOTE 7. COMPENSATED ABSENCES**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and accumulate for use in future years. Upon the attainment of specified years of service or upon reaching normal retirement age, employees become eligible to receive compensation for unused accumulated sick leave. The specific terms for eligibility and compensation are governed by the various collective bargaining agreements and employment contracts.

In the district-wide *Statement of Net Assets*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in ore than one year.

**NOTE 8. DEFERRED COMPENSATION**

The Board offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Oppenheimer Funds  
 Financial Resources  
 Mass Mutual  
 Great American Life Insurance Co.  
 Fidelity  
 The Equitable  
 VALIC  
 Northwestern Mutual Insurance  
 Lincoln Investment Planning  
 LEGEND/NEA

**NOTE 9. CAPITAL RESERVE/CAPITAL OUTLAY**

A capital reserve account was originally established by the Edison Board of Education in the amount of \$10,500.00 on September 25, 2000. The capital reserve account is for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submissions of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any anticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:26-9(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for July 1, 2011 to June 30, 2012 fiscal year is as follows:

Beginning Balance, July 1, 2010	\$976,842.42
Board Contribution	- 0 -
Interest Earnings	<u>6,514.39</u>
Ending Balance, June 30, 2012	<u>\$983,356.81</u>

The June 30, 2012 LRFP balance of local support costs of uncompleted capital projects at June 30, 2012 is \$983,356.81. Withdrawals authorized from the capital reserve are for use in DOE approved facilities projects, consistent with the district's Long Range Facilities Plan.

**NOTE 10. OTHER RESERVE ACCOUNTS**

Pursuant to enabling legislation and rulemaking, the District is permitted to establish legally restricted Reserve funds for Maintenance and Emergencies. The activity of these reserved accounts and their status at June 30, 2012 is as follows:

Maintenance Reserve: The balance at the end of June 30, 2012 in this account was \$251,176.49.

Emergency Reserve: The balance at the end of June 30, 2012 in the account is \$1,000,000.00.

**NOTE 11. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** - The District maintains commercial insurance coverage for property, liability student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

<u>Fiscal</u> <u>Year</u>		<u>Interest</u> <u>Earnings</u>	<u>District/</u> <u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2011-2012	\$	1,238.72	\$ 165,197.22	\$ 381,599.75	\$ 887,675.01
2010-2011		1,990.87	2,367,714.33	1,613,298.86	1,102,838.82
2009-2010		2,660.55	193,420.75	221,139.59	346,432.48

In prior years, the Board instituted a risk management program, which combines risk retention and reinsurance coverage for claims relating to statutory worker's compensation. The Board also obtained specific excess workers' compensation insurance coverage. Effective for the fiscal year beginning July 1, 2011, the Board has obtained workers' compensation insurance through a premium based risk transfer policy.

**Retained Insurance Risk –**

For years prior to 2011-2012, the Board engaged an outside claims service company to serve as administrator of the worker's compensation program. Loss reserves are established by the administrator for estimated benefits and expenses for reported claims. Established reserves are subject to change as facts and circumstances relating to claims dictate, and no provision is made for estimated losses relating to costs incurred but not reported (IBNR). At June 30, 2012, the administrator has established an estimated reserve requirement for reported claims prior to July 1, 2011 in the amount of \$1,366,873.00 and for estimated losses relating to costs incurred but not reported (IBNR) in the amount of \$1,371,707.00, for a total claim liability reported of \$2,738,581.00. The accrued claim liability results in a reported deficit in the Workers' Compensation Fund in the amount of \$(145,973.11) at June 30, 2012. Based upon its review of claims liability, management believes the Fund to be adequately funded at year-end. The Board continues to carry commercial insurance for other risks of loss, including accident insurance.

The Board has negotiated with its bargaining units to provide full employee and dependent coverage for health, dental and prescription insurance to each member.

**NOTE 12. INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2012:

<b><u>Fund</u></b>	<b><u>Interfund Receivable</u></b>	<b><u>Interfund Payable</u></b>
General Fund	\$ 543,652.44	\$ 2,706,478.77
Special Revenue Fund		543,652.44
Capital Projects Fund	477,922.44	
Enterprise Fund	249,994.73	
Internal Service - Worker's Comp.	<u>1,978,561.60</u>	<u>                    </u>
Total	\$ <u>3,250,131.21</u>	\$ <u>3,250,131.21</u>

**NOTE 13. INVENTORY**

Inventory in the Food Service Fund at June 30, 2012 consisted of the following:

USDA Commodities	\$ <u>18,609.22</u>
------------------	---------------------

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

**NOTE 14. FUND BALANCE APPROPRIATED****General Fund:**

**Committed, Assigned & Restricted** - Of the \$11,672,629.40 General Fund fund balance at June 30, 2012, \$2,234,533.30 has been restricted for the capital, maintenance and emergency reserve accounts; \$2,676,682.18 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7; \$1,972,348.62 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2013; the remaining \$704,333.56 reserve for excess surplus is restricted and designated for 2013-14 expenditures; \$3,870,452.00 as been assigned and designated for subsequent years expenditures, which includes \$1,500,000.00 designated for expenditures and \$2,370,452.00 designated for the capital reserve account and \$2,890,961.92 is reported as unassigned.

**Debt Service Fund** – The \$81,568.86 Debt Service Fund fund balance at June 30, 2012 is reported as restricted. Of the fund balance at June 30, 2012, no amount has been appropriated as revenue in the 2012-2013 school budget.

**Capital Projects Fund** – The Capital Projects Fund reports a fund balance of \$1,161,762.38. The entire amount of the \$1,161,762.38 is committed.

**NOTE 15. DEFICIT FUND BALANCES**

The District did not have any deficit fund balances as of June 30, 2012 reported in the fund statements (modified accrual basis), except for the Workers' Compensation Fund. As discussed in Note 11, based upon the recording of IBNR as a component of claims liability, management indicates the Workers' Compensation Fund is adequately funded. P.L. 2003, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the state is recording certain state aid payments in the subsequent fiscal year, the school district cannot recognize these state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording these state aid payments, the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action.

**NOTE 16. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance -- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Based upon the reduction in the maximum undesignated surplus permitted as a result of the enactment of S1701, the District has excess surplus at June 30, 2012 in the amount of \$2,676,682.18. Note 14 sets forth the application of excess surplus in subsequent years budgets.

**NOTE 17: COMMITMENTS AND CONTINGENCIES****Federal and State Assistance Programs**

The Board participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditures of funds for eligible purposes. These programs are also subject to compliance and financial audits by the grantors or their representatives. As of June 30, 2012, the Board does not believe that any material liabilities will result from such audits.

**Contingencies**

The District is involved in several claims and lawsuits incidental to its operation, which are generally defended through the Board's insurance carriers. Certain claims are in their discovery stage and the potential financial exposure to the Board, if any, cannot currently be ascertained. Management indicates there was no litigation pending which, in the event of an adverse or unfavorable outcome, would materially impair the financial position of the Township of Edison School District.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**PART II**

## **BUDGETARY COMPARISON SCHEDULES**

### **SECTION – C**

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 186,903,983.00	\$	\$ 186,903,983.00	\$ 186,903,983.00	\$ -
Tuition	150,000.00		150,000.00	357,726.53	207,726.53
Transportation Fees from Individuals	585,000.00		585,000.00	773,675.85	188,675.85
Interest Earned on Capital Reserve Funds	1,000.00		1,000.00	-	(1,000.00)
Miscellaneous	851,000.00		851,000.00	418,049.08	(432,950.92)
Total - Local Sources	188,490,983.00	-	188,490,983.00	188,453,434.46	(37,548.54)
State Sources:					
Transportation Aid			-	-	-
Categorical Special Education Aid	8,159,056.00		8,159,056.00	8,159,056.00	-
Equalization Aid	1,519,657.00		1,519,657.00	3,470,733.00	1,951,076.00
Extraordinary Aid			-	2,238,183.00	2,238,183.00
Non-Public Transportation Aid			-	104,547.68	104,547.68
Homeless Children Aid		817,737.00	817,737.00	817,737.00	-
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				3,381,123.00	3,381,123.00
On-Behalf T.P.A.F. Post-Retirement Medical (non-budgeted)				6,796,942.00	6,796,942.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				8,118,645.45	8,118,645.45
Total - State Sources	9,678,713.00	817,737.00	10,496,450.00	33,086,967.13	22,590,517.13
Federal Sources:					
Special Education Medicaid Initiative	121,976.00		121,976.00	80,500.38	(41,475.62)
Random Moment in Time Aid			-	5,871.32	5,871.32
Education Jobs Fund	579,015.00	18,139.00	597,154.00	597,154.00	-
Total - Federal Sources	700,991.00	18,139.00	719,130.00	683,525.70	(35,604.30)
Total Revenues	\$ 198,870,687.00	\$ 835,876.00	\$ 199,706,563.00	\$ 222,223,927.29	\$ 22,517,364.29



EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES</b>					
Current Expense:					
Regular Programs - Instruction					
Preschool - Salaries of Teachers	\$ 195,790.00	\$	\$ 195,790.00	\$ 194,405.00	\$ 1,385.00
Preschool/Kinderg-Salaries	2,458,908.00	20,000.00	2,478,908.00	2,476,960.33	1,947.67
Grades 1-5 Salaries of Teacher	27,708,090.00	240,985.00	27,949,075.00	27,942,412.33	6,662.67
Grades 6-8 Salaries of Teacher	18,708,126.00	270,000.00	18,978,126.00	18,972,598.44	5,527.56
Grades 9-12 Salaries of Teacher	20,802,946.00	220,000.00	21,022,946.00	21,020,051.52	2,894.48
Regular Programs Home Instruction					
Other Salaries for Instruction	187,015.00	5,000.00	192,015.00	191,486.99	528.01
Other Objects	50,000.00		50,000.00	-	50,000.00
Regular Programs-Undistributed Instruction					
Purch Professional - Educational Services	7,500.00	16,000.00	23,500.00	22,508.25	991.75
Other Purch Services	25,000.00		25,000.00	3,520.30	21,479.70
General Supplies	1,246,000.00	750,000.00	1,996,000.00	1,992,662.84	3,337.16
Textbooks	867,000.00	862,000.00	1,729,000.00	1,728,875.73	124.27
Other Objects		89,500.00	89,500.00	139,460.58	(49,960.58)
Total Regular Programs	72,256,375.00	2,473,485.00	74,729,860.00	74,684,942.31	44,917.69
Special Education-Instruction:					
Multiple Disabilities					
Salaries of Teachers	313,725.00		313,725.00	313,384.13	340.87
Other Salaries for Instruction	143,062.00	6,000.00	149,062.00	148,405.45	656.55
Purch Professional - Educational Services	-		-	-	-
General Supplies	3,000.00	4,150.00	7,150.00	6,663.06	486.94
Textbooks	1,000.00	(150.00)	850.00	-	850.00
Total Multiple Disabilities	460,787.00	10,000.00	470,787.00	468,452.64	2,334.36
Special Education-Instruction - Resource Room/Resource Center:					
Salaries of Teachers	14,878,912.00	150,000.00	15,028,912.00	15,026,400.22	2,511.78
Other Salaries for Instruction	540,113.00	23,000.00	563,113.00	562,551.22	561.78
Purch Professional - Educational Services	-		-	-	-
General Supplies	19,000.00	1,000.00	20,000.00	19,370.80	629.20
Textbooks	5,000.00		5,000.00	1,117.36	3,882.64
Total Resource Room/Resource Center	15,443,025.00	174,000.00	15,617,025.00	15,609,439.60	7,585.40

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Special Education Instruction - Autism					
Salaries of Teachers	715,881.00		715,881.00	715,584.28	296.72
Other Salaries for Instruction	501,400.00	15,000.00	516,400.00	514,984.90	1,415.10
Purch Professional - Educational Services	-		-	-	-
General Supplies	6,000.00		6,000.00	5,960.00	40.00
Textbooks	2,000.00		2,000.00	-	2,000.00
Total Instruction - Autism	<u>1,225,281.00</u>	<u>15,000.00</u>	<u>1,240,281.00</u>	<u>1,236,529.18</u>	<u>3,751.82</u>
Special Education Instruction - Preschool Disabilities-Part Time					
Salaries of Teachers	508,012.00		508,012.00	507,900.70	111.30
Other Salaries for Instruction	275,811.00	6,000.00	281,811.00	281,116.20	694.80
Purch Professional - Educational Services	-		-	-	-
General Supplies	6,000.00		6,000.00	5,775.50	224.50
Textbooks	-		-	-	-
Total Preschool Disabilities-Part Time	<u>789,823.00</u>	<u>6,000.00</u>	<u>795,823.00</u>	<u>794,792.40</u>	<u>1,030.60</u>
Special Education Instruction -Preschool Disabilities-Full Time					
Salaries of Teachers	488,763.00		488,763.00	488,722.35	40.65
Other Salaries for Instruction	452,227.00	(10,000.00)	442,227.00	441,967.33	259.67
Purch Professional - Educational Services	-		-	-	-
General Supplies	6,000.00		6,000.00	5,820.45	179.55
Textbooks	-		-	-	-
Total Preschool Disabilities-Full Time	<u>946,990.00</u>	<u>(10,000.00)</u>	<u>936,990.00</u>	<u>936,510.13</u>	<u>479.87</u>
Special Education-Instruction - Home Instruction					
Salaries of Teachers	50,000.00	12,000.00	62,000.00	61,336.80	663.20
Purch Professional - Educational Services	150,000.00		150,000.00	104,009.58	45,990.42
Total Home Instruction	<u>200,000.00</u>	<u>12,000.00</u>	<u>212,000.00</u>	<u>165,346.38</u>	<u>46,653.62</u>
Total Special Education - Instruction	<u>19,065,906.00</u>	<u>207,000.00</u>	<u>19,272,906.00</u>	<u>19,211,070.33</u>	<u>61,835.67</u>
Bilingual Education-Instruction					
Salaries of Teachers	1,476,113.00		1,476,113.00	1,475,992.15	120.85
Other Salaries for Instruction	54,943.00	(5,000.00)	49,943.00	48,441.60	1,501.40
Purch Professional - Educational Services	-		-	-	-
General Supplies	10,000.00	73,000.00	83,000.00	82,503.80	496.20
Textbooks	25,000.00	(10,000.00)	15,000.00	10,089.61	4,910.39
Total Bilingual Education	<u>1,566,056.00</u>	<u>58,000.00</u>	<u>1,624,056.00</u>	<u>1,617,027.16</u>	<u>7,028.84</u>

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
School Sponsored Co/Extracurricular Activities - Instruction					
Salaries	393,395.00		393,395.00	369,244.76	24,150.24
Supplies and Materials	90,000.00	24,000.00	114,000.00	113,319.89	680.11
Total School Sponsored Co/Extracurricular Activities - Instruction	483,395.00	24,000.00	507,395.00	482,564.65	24,830.35
School - Sponsored Athletics - Instruction					
Salaries	970,250.00	52,000.00	1,022,250.00	1,021,289.06	960.94
Purch Services	4,000.00		4,000.00	3,250.00	750.00
Supplies and Materials	230,000.00	39,000.00	269,000.00	268,317.86	682.14
Total School - Sponsored Athletics - Instruction	1,204,250.00	91,000.00	1,295,250.00	1,292,856.92	2,393.08
Other Instructional Programs-Instruction					
Salaries	75,000.00	(50,000.00)	25,000.00	13,430.00	11,570.00
Supplies and Materials			-	-	-
Total Other Instructional Programs-Instruction	75,000.00	(50,000.00)	25,000.00	13,430.00	11,570.00
Total Instruction	94,650,982.00	2,803,485.00	97,454,467.00	97,301,891.37	152,575.63
Undistributed Expenditures: Instruction					
Tuition to Other LEA's within the State - Regular	230,000.00	(188,500.00)	41,500.00	21,444.05	20,055.95
Tuition to Private Schools for the Handicapped - within State	11,203,401.00	(1,057,125.00)	10,146,276.00	10,143,723.55	2,552.45
Tuition-State Facilities	243,271.00		243,271.00	243,271.00	-
Tuition-Other	35,000.00	20,000.00	55,000.00	54,567.00	433.00
Total Undistributed Expenditures-Instruction	11,711,672.00	(1,225,625.00)	10,486,047.00	10,463,005.60	23,041.40
Undistributed Expenditures-Attendance and Social Work					
Salaries	187,952.00		187,952.00	185,381.88	2,570.12
Other Purchased Services			-	-	-
Total Undistributed Expenditures Attend. & Social Work	187,952.00	-	187,952.00	185,381.88	2,570.12
Undistributed Expenditures-Health Services					
Salaries	1,825,387.00	27,000.00	1,852,387.00	1,851,426.35	960.65
Purchased Professional and Tech Services	47,000.00	(23,000.00)	24,000.00	23,668.81	331.19
Supplies and Materials	36,000.00	2,500.00	38,500.00	38,305.08	194.92
Total Undistributed Expenditures-Health Services	1,908,387.00	6,500.00	1,914,887.00	1,913,400.24	1,486.76

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures-Speech, OT, PT & Related Services:					
Salaries	2,454,763.00	50,000.00	2,504,763.00	2,502,934.82	1,828.18
Purchased Professional- Educational Services	3,075,000.00	(1,630,000.00)	1,445,000.00	1,442,946.05	2,053.95
Supplies and Materials	30,000.00		30,000.00	10,536.75	19,463.25
Total Undistributed Expenditures-Speech, OT, PT & Related Services:	5,559,763.00	(1,580,000.00)	3,979,763.00	3,956,417.62	23,345.38
Undistributed Expenditures-Other Support Services Students-Extra. Serv.:					
Salaries	1,292,464.00	75,000.00	1,367,464.00	1,365,643.97	1,820.03
Purch Professional - Educ Services	-		-	-	-
Total Undistributed Expenditures-Other Support Services Students-Extra. Serv.:	1,292,464.00	75,000.00	1,367,464.00	1,365,643.97	1,820.03
Undistributed Expenditures-Guidance Students-Extra. Serv.:					
Salaries of Other Professional Staff	3,764,287.00	(40,000.00)	3,724,287.00	3,687,971.76	36,315.24
Salaries of Secretarial and Clerical Assistants	441,330.00		441,330.00	429,410.11	11,919.89
Purch Professional - Educ Services	52,000.00	(14,000.00)	38,000.00	35,154.00	2,846.00
Supplies and Materials	22,000.00	8,000.00	30,000.00	29,852.04	147.96
Total Undistributed Expenditures-Guidance	4,279,617.00	(46,000.00)	4,233,617.00	4,182,387.91	51,229.09
Undistributed Expenditures-Child Study Teams					
Salaries of Other Professional Staff	3,308,060.00	18,000.00	3,326,060.00	3,325,034.85	1,025.15
Salaries of Secretarial and Clerical Assistants	378,601.00	1,000.00	379,601.00	379,102.36	498.64
Residential Costs	373,270.00	(20,000.00)	353,270.00	349,800.66	3,469.34
Misc Purchase Services	5,000.00	5,000.00	10,000.00	9,547.71	452.29
Supplies and Materials	20,000.00		20,000.00	17,409.66	2,590.34
Total Undistributed Expenditures-Child Study Teams	4,084,931.00	4,000.00	4,088,931.00	4,080,895.24	8,035.76
Undistributed Expenditures-Improvement of Instruction Services					
Salaries of Supervisor of Instruction	1,855,977.00	20,000.00	1,875,977.00	1,856,272.88	19,704.12
Salaries of Other Professional Staff	84,250.00		84,250.00	48,343.64	35,906.36
Salaries of Secretarial and Clerical Assistants	217,977.00		217,977.00	217,595.99	381.01
Other Purch Services	5,000.00	1,000.00	6,000.00	5,560.27	439.73
Supplies and Materials	12,000.00		12,000.00	10,543.64	1,456.36
Total Undistributed Expenditures-Improvement of Instruction Services	2,175,204.00	21,000.00	2,196,204.00	2,138,316.42	57,887.58

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures-Educa. Media Serv./School Library					
Salaries	792,111.00	(30,000.00)	762,111.00	720,945.75	41,165.25
Supplies and Materials	230,700.00	278,000.00	508,700.00	508,385.96	314.04
<b>Total Undistributed Expenditures-Educa. Media Serv./School Library</b>	<b>1,022,811.00</b>	<b>248,000.00</b>	<b>1,270,811.00</b>	<b>1,229,331.71</b>	<b>41,479.29</b>
Undistributed Expenditures-Instructional Staff Training Services					
Salaries of Supervisor of Instruction	97,909.00	50,000.00	147,909.00	125,666.67	22,242.33
Salaries of Other Professional Staff	76,100.00		76,100.00	63,867.28	12,232.72
Salaries of Secretarial & Clerical Assist.	55,246.00	2,000.00	57,246.00	56,326.96	919.04
Supplies and Materials	5,000.00	2,000.00	7,000.00	6,326.83	673.17
Other Objects	59,000.00	28,000.00	87,000.00	86,497.15	502.85
<b>Total Undistributed Expenditures-Instructional Staff Training Services</b>	<b>293,255.00</b>	<b>82,000.00</b>	<b>375,255.00</b>	<b>338,684.89</b>	<b>36,570.11</b>
Undistributed Expenditures-Support Services-Gen Admin.					
Salaries	1,038,502.00	(21,000.00)	1,017,502.00	1,013,581.93	3,920.07
Legal Services	335,000.00	87,000.00	422,000.00	421,145.50	854.50
Audit Fees	43,000.00		43,000.00	43,000.00	-
Other Purch Professional Services	80,000.00	10,000.00	90,000.00	89,749.31	250.69
Communication / Telephone	555,100.00	102,000.00	657,100.00	656,623.80	476.20
Misc Purchase Services	951,500.00	(152,000.00)	799,500.00	781,784.87	17,715.13
General Supplies	90,000.00	30,000.00	120,000.00	119,658.97	341.03
Board of Ed In-House Training/Meeting Supplies	2,500.00	1,500.00	4,000.00	3,561.61	438.39
Misc. Expenditures	12,000.00	500.00	12,500.00	12,133.00	367.00
Board of Ed Membership Dues and Fees	28,066.00		28,066.00	26,662.70	1,403.30
<b>Total Undistributed Expenditures-Support Services-Gen. Admin.</b>	<b>3,135,668.00</b>	<b>58,000.00</b>	<b>3,193,668.00</b>	<b>3,167,901.69</b>	<b>25,766.31</b>
Undistributed Expenditures-Support Serv-School Admin:					
Salaries of Principals/Asst. Pr/Prog Dir	3,457,435.00	137,000.00	3,594,435.00	3,593,619.08	815.92
Salaries of Secretarial and Clerical Assistants	2,470,931.00	71,000.00	2,541,931.00	2,541,033.11	897.89
Other Salaries	5,000.00		5,000.00	2,905.89	2,094.11
Other Purchased Services	65,000.00	(25,000.00)	40,000.00	35,654.29	4,345.71
Supplies and Materials	100,000.00		100,000.00	90,373.21	9,626.79
<b>Total Undistributed Expenditures-Support Serv-School Admin</b>	<b>6,098,366.00</b>	<b>183,000.00</b>	<b>6,281,366.00</b>	<b>6,263,585.58</b>	<b>17,780.42</b>

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures-Central Services					
Salaries	1,037,941.00	22,000.00	1,059,941.00	1,055,223.81	4,717.19
Purchased Professional Services	98,500.00		98,500.00	91,010.99	7,489.01
Misc. Purchased Services	12,000.00	4,100.00	16,100.00	15,993.72	106.28
Supplies and Materials	33,000.00	2,000.00	35,000.00	32,741.83	2,258.17
Interest on Lease Purchase Agreements	132,498.00		132,498.00	132,497.60	0.40
Miscellaneous Expenditures	3,000.00	25.00	3,025.00	3,025.00	-
Total Undistributed Expenditures-Central Services	1,316,939.00	28,125.00	1,345,064.00	1,330,492.95	14,571.05
Undistributed Expenditures-Admin. Info. Tech					
Salaries	258,900.00	214,000.00	472,900.00	470,354.48	2,545.52
Purchased Professional Services	30,000.00	42,500.00	72,500.00	69,961.93	2,538.07
Purchased Technical Services	245,000.00	16,000.00	261,000.00	260,379.85	620.15
Other Purchased Services	72,500.00	34,000.00	106,500.00	105,917.54	582.46
Supplies and Materials	20,000.00	96,000.00	116,000.00	115,352.54	647.46
Total Undistributed Expenditures-Admin. Info. Tech	626,400.00	402,500.00	1,028,900.00	1,021,966.34	6,933.66
Undistributed Expenditures-Required Maint for School Facilities					
Salaries	1,255,373.00	(135,500.00)	1,119,873.00	1,092,292.92	27,580.08
Cleaning, Repair, and Maintenance Services	994,600.00	166,000.00	1,160,600.00	1,160,287.28	312.72
General Supplies	637,950.00	250,000.00	887,950.00	882,608.31	5,341.69
Other Objects	75,000.00	(18,000.00)	57,000.00	56,476.27	523.73
Total Undistributed Expenditures-Required Maint for School Facilities	2,962,923.00	262,500.00	3,225,423.00	3,191,664.78	33,758.22
Undistributed Expenditures-Custodial Services					
Salaries	6,023,133.00	295,000.00	6,318,133.00	6,316,355.74	1,777.26
Cleaning, Repair, and Maintenance Services	462,000.00	26,000.00	488,000.00	487,256.02	743.98
Other Purchased Property Services	180,000.00	43,000.00	223,000.00	222,164.81	835.19
Insurance	350,000.00	(20,000.00)	330,000.00	327,896.00	2,104.00
General Supplies	213,000.00	150,000.00	363,000.00	362,651.26	348.74
Energy (Electricity)	1,425,000.00		1,425,000.00	-	1,425,000.00
Other Objects	6,000.00		6,000.00	1,084.59	4,915.41
Salaries of Non-Instructional Aides	877,866.00	70,000.00	947,866.00	947,462.12	403.88
Energy (Natural Gas)	1,775,000.00	(845,000.00)	930,000.00	2,354,297.63	(1,424,297.63)
Total Undistributed Expenditures-Custodial Services	11,311,999.00	(281,000.00)	11,030,999.00	11,019,168.17	11,830.83

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures- Care & Upkeep of Grounds					
Salaries	901,650.00	32,000.00	933,650.00	933,304.13	345.87
Cleaning, Repair, and Maintenance Services	30,000.00		30,000.00	29,204.07	795.93
General Supplies	102,800.00	54,000.00	156,800.00	156,359.25	440.75
Total Undistributed Expenditures- Care & Upkeep of Grounds	1,034,450.00	86,000.00	1,120,450.00	1,118,867.45	1,582.55
Undistributed Expenditures- Security					
Salaries	586,177.00	41,000.00	627,177.00	626,508.17	668.83
Purchased Professional and Technical Services	5,000.00		5,000.00	2,400.80	2,599.20
General Supplies	12,250.00		12,250.00	11,946.25	303.75
Total Undistributed Expenditures- Security	603,427.00	41,000.00	644,427.00	640,855.22	3,571.78
Total Undist. Expenditures - Oper & Maint of Plant Serv.	15,912,799.00	108,500.00	16,021,299.00	15,970,555.62	50,743.38
Undistributed Expenditures-Student Transportation Services					
Salaries of Non-Instructional Aides	210,000.00		210,000.00	218,545.39	(8,545.39)
Salaries for Pupil Trans (Bet Home & Sch) - Reg.	694,822.00		694,822.00	627,954.84	66,867.16
Cleaning, Repair, and Maintenance Services	90,000.00		90,000.00	86,973.36	3,026.64
Contracted Services (Bet. Home and Sch) - Vendors	2,925,000.00	6,500.00	2,931,500.00	2,931,064.28	435.72
Contracted Services (Oth. than Bet. Home and Sch) - Vendors	610,000.00	6,000.00	616,000.00	615,118.51	881.49
Contracted Services (Special Ed Stds) - Vendors	3,850,000.00	(139,000.00)	3,711,000.00	3,710,812.01	187.99
Contracted Services (Special Ed Stds) - Joint Agrmnts	50,000.00	(10,000.00)	40,000.00	36,000.00	4,000.00
Contracted Services (Spl. Ed. Students) - ESCs & CTSAs	125,000.00	465,000.00	590,000.00	589,479.03	520.97
Contracted Services Aid in Lieu of Payments - NonPublic Sch	583,204.00	(98,000.00)	485,204.00	483,377.16	1,826.84
Contracted Services Aid in Lieu of Payments - Charter Sch	16,796.00		16,796.00	14,144.00	2,652.00
Misc Purchased Services - Transportation	88,000.00		88,000.00	86,729.88	1,270.12
General Supplies	88,800.00		88,800.00	77,719.42	11,080.58
Total Undistributed Expenditures-Student Transportation Serv.	9,331,622.00	230,500.00	9,562,122.00	9,477,917.88	84,204.12
Unallocated Benefits:					
Social Security Contributions	1,920,000.00	136,000.00	2,056,000.00	2,041,359.51	14,640.49
Other Retirement Contributions - PERS	2,250,000.00	(150,000.00)	2,100,000.00	2,084,781.22	15,218.78
Unemployment Compensation	2,000,000.00	(1,993,850.00)	6,150.00	-	6,150.00
Worker's Compensation	1,000,000.00	(265,000.00)	735,000.00	733,344.82	1,655.18
Health Benefits	24,067,985.00	(227,985.00)	23,840,000.00	23,826,662.94	13,337.06
Health Benefits - Education Jobs Funds	579,015.00	18,139.00	597,154.00	597,154.00	-
Tuition Reimbursement	300,000.00	(190,000.00)	110,000.00	81,914.90	28,085.10
Total Unallocated Benefits	32,117,000.00	(2,672,696.00)	29,444,304.00	29,365,217.39	79,086.61

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
On-Behalf T.P.A.F. Pension Contrib. (non-budgeted)			-	3,381,123.00	(3,381,123.00)
On-Behalf T.P.A.F. Post-Retirement Medical Contrib. (non-budgeted)			-	6,796,942.00	(6,796,942.00)
Reimbursed TPAF SS Contributions (non-budgeted)			-	8,118,645.45	(8,118,645.45)
Total On-behalf Contributions	-	-	-	18,296,710.45	(18,296,710.45)
Total Undistributed Expenditures	101,054,850.00	(4,077,196.00)	96,977,654.00	114,747,813.38	(17,770,159.38)
Total Current Expense	195,705,832.00	(1,273,711.00)	194,432,121.00	212,049,704.75	(17,617,583.75)
<b>Capital Outlay:</b>					
Capital Reserve Interest	1,000.00		1,000.00	-	1,000.00
Total Capital Reserve	1,000.00	-	1,000.00	-	1,000.00
Equipment:					
Undistributed Expenditures:					
Instructional Equipment-Undistributed	1,025,000.00	1,630,737.00	2,655,737.00	2,654,497.70	1,239.30
Required Maint for School Fac.	75,000.00	140,000.00	215,000.00	210,592.82	4,407.18
Total Equipment	1,100,000.00	1,770,737.00	2,870,737.00	2,865,090.52	5,646.48
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	50,000.00	70,000.00	120,000.00	112,299.66	7,700.34
Land and Improvements	125,000.00	25,000.00	150,000.00	148,282.50	1,717.50
Lease Purchase Agreements - Principal	1,253,000.00		1,253,000.00	1,253,000.00	-
Bldgs. Other than Lease Purchase Agreements	250,000.00	121,000.00	371,000.00	370,972.00	28.00
Total Facilities Acquisition and Construction Services	1,678,000.00	216,000.00	1,894,000.00	1,884,554.16	9,445.84
Assets Acquired Under Capital Leases - (Non-Budgeted)					
Undistributed Expenditures - School Administration	-		-	33,345.00	(33,345.00)
Total Capital Outlay	2,779,000.00	1,986,737.00	4,765,737.00	4,782,989.68	(17,252.68)
Special Schools:					
Summer School - Instruction					
Salaries of Teachers		113,000.00	113,000.00	112,728.00	272.00
General Supplies			-	-	-
Total Summer School - Instruction	-	113,000.00	113,000.00	112,728.00	272.00



EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Summer School - Support Service					
Salaries		10,500.00	10,500.00	10,425.00	75.00
Other Objects			-	-	-
Total Summer School - Support Service	-	10,500.00	10,500.00	10,425.00	75.00
Total Summer School Instruction	-	123,500.00	123,500.00	123,153.00	347.00
Other Special Schools - Instruction					
Salaries of Teachers	150,000.00	(1,500.00)	148,500.00	147,033.25	1,466.75
Other Salaries for Instruction			-	-	-
General Supplies	5,000.00	2,600.00	7,600.00	7,295.67	304.33
Other Objects	-		-	-	-
Total Other Special Schools - Instruction	155,000.00	1,100.00	156,100.00	154,328.92	1,771.08
Other Special Schools- Support Services					
Salaries	2,500.00	2,750.00	5,250.00	5,189.09	60.91
Other Objects	4,500.00	(2,500.00)	2,000.00	886.19	1,113.81
Total Other Special Services- Support Services	7,000.00	250.00	7,250.00	6,075.28	1,174.72
Total Other Special Schools	162,000.00	1,350.00	163,350.00	160,404.20	2,945.80
Total Special Schools	162,000.00	124,850.00	286,850.00	283,557.20	3,292.80
<b>Total Expenditures</b>	<b>\$ 198,646,832.00</b>	<b>\$ 837,876.00</b>	<b>\$ 199,484,708.00</b>	<b>\$ 217,116,251.63</b>	<b>\$ (17,631,543.63)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 223,855.00	\$ (2,000.00)	\$ 221,855.00	\$ 5,107,675.66	\$ 4,885,820.66
Other Financing Sources (Uses):					
Operating Transfers In/(Out):					
Internal Service Fund - Workers Compensation			-	-	-
Transfer of Funds to Charter Schools	(223,855.00)	2,000.00	(221,855.00)	(217,020.00)	4,835.00
Prior Year Accounts Receivables/Payables Adjusted - Net			-	66,044.14	66,044.14
Debt Service State Aid Adjustment			-	(69,351.00)	(69,351.00)
Capital Leases (non-budgeted)			-	33,345.00	33,345.00

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	-	4,920,693.80	4,920,693.80
Fund Balances, July 1	10,074,880.60		10,074,880.60	10,074,880.60	-
Fund Balances, June 30	\$ 10,074,880.60	\$ -	\$ 10,074,880.60	\$ 14,995,574.40	\$ (4,920,693.80)
<b>Recapitulation:</b>					
Restricted Fund Balance:				Unassigned Fund Balance	
Capital Reserve			\$ 983,356.81		
Emergency Reserve			1,000,000.00		
Maintenance Reserve			251,176.49		
Reserve for Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures			1,972,348.62		
Reserve for Excess Surplus			704,333.56		
Assigned Fund Balance:					
Designated for Subsequent Years Expenditures			1,500,000.00		
Designated for Subsequent Years Expenditures - Capital Reserve			2,370,452.00		
Unassigned Fund Balance			6,213,906.92	\$ 6,213,906.92	
			14,995,574.40	6,213,906.92	
<b>Reconciliation to Governmental Funds Statements (GAAP):</b>					
Less:					
Last Two (2) State Aid Payments not recognized on GAAP basis	\$	\$ (1,084,762.00)			
Special Education Extraordinary Aid (2011-2012)		(2,238,183.00)			
			(3,322,945.00)	(3,322,945.00)	
Fund Balance per Governmental Funds (GAAP)			\$ 11,672,629.40	\$ 2,890,961.92	

EDISON SCHOOL DISTRICT  
BUDGET COMPARISON SCHEDULE  
EDUCATION JOBS FUND - GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable(Unfavorable)
<b>REVENUES:</b>					
Federal Sources:					
Education Jobs Fund - A.R.R.A.	\$ 579,015.00	\$ 18,139.00	\$ 597,154.00	\$ 597,154.00	\$ -
<b>Total Revenues</b>	<u>\$ 579,015.00</u>	<u>\$ 18,139.00</u>	<u>\$ 597,154.00</u>	<u>\$ 597,154.00</u>	<u>\$ -</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
Undistributed Expenditures					
Unallocated Benefits					
Health Benefits	579,015.00	18,139.00	597,154.00	597,154.00	
<b>Total Expenditures</b>	<u>\$ 579,015.00</u>	<u>\$ 18,139.00</u>	<u>\$ 597,154.00</u>	<u>\$ 597,154.00</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ -	\$ 75,000.00	\$ 75,000.00	\$ 73,196.04	\$ (1,803.96)
Total - Local Sources	-	75,000.00	75,000.00	73,196.04	(1,803.96)
State Sources:					
NJ Nonpublic	625,457.00	142,380.00	767,837.00	742,324.71	(25,512.29)
FHA/HERO Grant		140,000.00	140,000.00	95,884.26	(44,115.74)
Total - State Sources	625,457.00	282,380.00	907,837.00	838,208.97	(69,628.03)
Federal Sources:					
Title I	527,688.00	922,405.92	1,450,093.92	696,966.87	(753,127.05)
I.D.E.A., Part B; PreSchool	3,026,556.00	669,152.73	3,695,708.73	3,383,958.10	(311,750.63)
Title II	297,216.00	189,613.32	486,829.32	448,952.32	(37,877.00)
Title III	65,563.00	82,422.06	147,985.06	122,769.38	(25,215.68)
Title IV		4,233.00	4,233.00	4,233.00	-
Race to the Top		89,976.00	89,976.00	15,560.00	(74,416.00)
Total - Federal Sources	3,917,023.00	1,957,803.03	5,874,826.03	4,672,439.67	(1,202,386.36)
TOTAL REVENUES	4,542,480.00	2,315,183.03	6,857,663.03	5,583,844.68	(1,273,818.35)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	830,000.00	(24,386.83)	805,613.17	261,191.27	544,421.90
Paraprofessional Salaries		-			-
Other Salaries for Instruc.	35,000.00	122,106.00	157,106.00	114,158.00	42,948.00
Purch. Prof. & Tech. Services	76,028.00	507,120.83	583,148.83	514,367.61	68,781.22
Tuition-Prvt. Schls. For Disabled Within the State		-			-
Other Purch. Services	1,188.00	46,341.15	47,529.15	23,899.14	23,630.01
General Supplies	96,009.00	244,776.85	340,785.85	289,203.63	51,582.22
Educational Supplies		-			-
Supplies & Materials		-			-
Textbooks	121,172.00	147.00	121,319.00	119,666.00	1,653.00
Other Objects		-			-
Total Instruction	1,159,397.00	896,105.00	2,055,502.00	1,322,485.65	733,016.35

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Support Services:					
Salaries of Program Directors	\$	\$ 49,000.00	\$ 49,000.00	\$ 31,710.00	\$ 17,290.00
Salaries of Teachers		-		-	-
Salaries of Other Professional Staff		175,326.00	175,326.00	175,326.45	(0.45)
Salaries of Sec. & Clerical Asst.		36,225.00	36,225.00	34,300.56	1,924.44
Salaries of Admin. Asst.		-			-
Paraprofessional Salaries		-			-
Other Salaries		15,262.00	15,262.00	9,925.00	5,337.00
Personal Services- Empl. Benefits	127,000.00	6,018.85	133,018.85	43,947.06	89,071.79
Purchased Prof. & Tech. Svcs.		-			-
Rentals/Equipment Lease Purchase		-			-
Purch. Prof. - Educ. Services	1,405,063.00	394,203.18	1,799,266.18	1,654,730.95	144,535.23
Other Purch. Prof. Services	173,138.00	94,282.00	267,420.00	218,068.75	49,351.25
Contracted Services - Trans. (Other Than Between Home and School)		-			-
Communications/Telephone		-			-
Tuition	1,317,172.00	108,540.00	1,425,712.00	1,416,007.59	9,704.41
Travel		10,286.00	10,286.00	6,539.68	3,746.32
Other Purch. Services	360,710.00	117,825.00	478,535.00	456,385.67	22,149.33
Supplies and Materials		158,526.00	158,526.00	75,855.77	82,670.23
Indirect Costs		-			-
Pass Through - Other Districts		-			-
Miscellaneous Expenditures		86,625.00	86,625.00	84,820.55	1,804.45
Total Support Services	3,383,083.00	1,252,119.03	4,635,202.03	4,207,618.03	427,584.00
Facilities Acquis. & Const. Serv.:					
Buildings		-	-		-
Instructional Equipment		166,959.00	166,959.00	53,741.00	113,218.00
Noninstructional Equipment		-	-		-
Total Facil. Acquis. & Const. Serv.	-	166,959.00	166,959.00	53,741.00	113,218.00
Total Expenditures	\$ 4,542,480.00	\$ 2,315,183.03	\$ 6,857,663.03	\$ 5,583,844.68	\$ 1,273,818.35
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

**NOTES TO THE REQUIRED  
SUPPLEMENTARY INFORMATION**

EDISON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Note A - Explanation of Differences between Budgetary Inflows and Outflows and  
GAAP Revenues and Expenditures

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	(C-1)	\$ 222,223,927.29	(C-2)	\$ 5,583,844.68
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		2,757,538.00		-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements		(3,322,945.00)		-
Total revenues as reported on the statement of revenues, expenditures and change in fund balances - governmental funds	(B-2)	221,658,520.29	(B-2)	5,583,844.68
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	(C-1)	217,116,251.63	(C-2)	5,583,844.68
Difference - budget to GAAP:				
The district budgets for claims and compensated absences only to the extent expected to paid, rather than on the modified accrual basis.		-		-
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		-
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		-		-
Net transfers (outflows) to general fund		-		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	(B-2)	\$ 217,116,251.63	(B-2)	\$ 5,583,844.68

## **OTHER SUPPLEMENTARY INFORMATION**



## **SCHOOL LEVEL SCHEDULES**

### **SECTION – D**

**SPECIAL REVENUE FUND**

**SECTION – E**

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Total Brought Forward (Ex. E-1a)	Title I - Part A			I.D.E.A. Part B Basic Regular			
		Current	Carryover	Summer Carryover	Current	Carryover	Summer Carryover	Totals
<u>REVENUES:</u>								
State Sources	\$ 838,208.97	\$						\$ 838,208.97
Federal Sources	907,783.21	555,915.00	53,238.99	87,812.88	3,019,026.81	46,739.63	1,923.15	4,672,439.67
Local Sources	73,196.04							73,196.04
Total Revenues	1,819,188.22	555,915.00	53,238.99	87,812.88	3,019,026.81	46,739.63	1,923.15	5,583,844.68
<u>EXPENDITURES:</u>								
Instruction:								
Salaries of Teachers	2,439.25	112,563.00			146,189.02			261,191.27
Other Salaries for Instruc.	-	114,158.00						114,158.00
Purch. Prof. & Tech. Services	474,751.11	289.00	39,327.50					514,367.61
Other Purch. Services	-	8,014.50	13,961.49				1,923.15	23,899.14
General Supplies	71,445.36	103,274.75	(50.00)	74,664.37	38,859.36	1,009.79		289,203.63
Textbooks	119,666.00							119,666.00
Other Objects	-							-
Total Instruction	668,301.72	338,299.25	53,238.99	74,664.37	185,048.38	1,009.79	1,923.15	1,322,485.65
Support Services:								
Salaries of Supervisors of Instruc.	-							-
Salaries of Program Directors	31,710.00							31,710.00
Salaries of Other Prof. Staff	175,326.45							175,326.45
Salaries of Sec. & Clerical Asst.	33,640.56	660.00						34,300.56
Other Salaries	9,925.00							9,925.00
Personal Services - Empl. Benefits	15,802.62	28,144.44						43,947.06
Purch. Prof. - Educ. Services	1,397.56	141,214.83			1,489,761.73	22,356.83		1,654,730.95
Other Purch. Prof. Services	177,112.85	40,955.90						218,068.75
Purch. Technical Services	-							-
Rentals/Equipment Lease Purchase	-							-
Contracted Services - Trans. (Other Than Between Home and School)	-							-
Communications/Telephone	-							-
Tuition	102,339.00				1,290,295.58	23,373.01		1,416,007.59
Travel	6,539.68							6,539.68
Other Purch. Services	456,385.67							456,385.67
Supplies and Materials	66,684.07	6,640.58			2,531.12			75,855.77
Indirect Costs	-							-
Pass Through - Other Districts	-							-
Miscellaneous Expenditures	71,672.04			13,148.51				84,820.55
Total Support Services	1,148,535.50	217,615.75	-	13,148.51	2,782,588.43	45,729.84	-	4,207,618.03
Facilities Acquis. & Const. Serv.:								
Buildings	-							-
Instructional Equipment	2,351.00				51,390.00			53,741.00
Noninstructional Equipment	-							-
Total Facil. Acquis. & Const. Serv.	2,351.00	-	-	-	51,390.00	-	-	53,741.00
Total Expenditures	\$ 1,819,188.22	\$ 555,915.00	\$ 53,238.99	\$ 87,812.88	\$ 3,019,026.81	\$ 46,739.63	\$ 1,923.15	\$ 5,583,844.68

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Total Brought Forward (Ex. E-1b)	I.D.E.A. Part B Basic Regular A.R.R.A. C/O	I.D.E.A. Part B Preschool		I.D.E.A. Part B Preschool A.R.R.A. C/O	Nonpublic Textbooks	Nonpublic Nursing	Total Carried Forward
			Current	Carryover				
<b>REVENUES:</b>								
State Sources	\$ 548,413.97	\$			\$	119,666.00	170,129.00	\$ 838,208.97
Federal Sources	591,514.70	184,198.74	112,004.00	-	20,065.77			907,783.21
Local Sources	73,196.04							73,196.04
Total Revenues	1,213,124.71	184,198.74	112,004.00	-	20,065.77	119,666.00	170,129.00	1,819,188.22
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	2,439.25							2,439.25
Other Salaries for Instruc.	-							-
Purch. Prof. & Tech. Services	445,020.34		9,665.00		20,065.77			474,751.11
Other Purch. Services	-							-
General Supplies	71,445.36							71,445.36
Textbooks	-					119,666.00		119,666.00
Other Objects	-							-
Total Instruction	518,904.95	-	9,665.00	-	20,065.77	119,666.00	-	668,301.72
Support Services:								
Salaries of Supervisors of Instruc.	-							-
Salaries of Program Directors	31,710.00							31,710.00
Salaries of Other Prof. Staff	-	175,326.45						175,326.45
Salaries of Sec. & Clerical Asst.	33,640.56							33,640.56
Other Salaries	9,925.00							9,925.00
Personal Services - Empl. Benefits	5,008.89	10,793.73						15,802.62
Purch. Prof. - Educ. Services	1,795.00	(397.44)						1,397.56
Other Purch. Prof. Services	6,983.85						170,129.00	177,112.85
Purch. Technical Services	-							-
Rentals/Equipment Lease Purchase	-							-
Contracted Services - Trans. (Other Than Between Home and School)	-							-
Communications/Telephone	-							-
Tuition	-		102,339.00					102,339.00
Travel	6,539.68							6,539.68
Other Purch. Services	456,385.67							456,385.67
Supplies and Materials	66,684.07							66,684.07
Indirect Costs	-							-
Pass Through - Other Districts	-							-
Miscellaneous Expenditures	73,196.04	(1,524.00)						71,672.04
Total Support Services	691,868.76	184,198.74	102,339.00	-	-	-	170,129.00	1,148,535.50
Facilities Acquis. & Const. Serv.:								
Buildings	-							-
Instructional Equipment	2,351.00							2,351.00
Noninstructional Equipment	-							-
Total Facil. Acquis. & Const. Serv.	2,351.00	-	-	-	-	-	-	2,351.00
Total Expenditures	\$ 1,213,124.71	\$ 184,198.74	\$ 112,004.00	\$ -	\$ 20,065.77	\$ 119,666.00	\$ 170,129.00	\$ 1,819,188.22

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Total Brought Forward (Ex. E-1c)	N.J. Nonpublic Auxiliary Services Ch. 192			N.J. Nonpublic Handicapped Services Ch. 193			Nonpublic Home Instruction	Total Carried Forward
		English as a Second Language	Trans- portation	Compensatory Education	Supplemental Instruction	Examination & Classification	Corrective Speech		
<u>REVENUES:</u>									
State Sources	\$ 95,884.26	\$ 16,983.00	34,285.00	159,768.00	61,734.00	111,906.00	55,289.00	12,564.71	\$ 548,413.97
Federal Sources	591,514.70								591,514.70
Local Sources	73,196.04								73,196.04
Total Revenues	760,595.00	16,983.00	34,285.00	159,768.00	61,734.00	111,906.00	55,289.00	12,564.71	1,213,124.71
<u>EXPENDITURES:</u>									
Instruction:									
Salaries of Teachers	2,439.25								2,439.25
Other Salaries for Instruc.	-								-
Purch. Prof. & Tech. Services	445,020.34								445,020.34
Other Purch. Services	-								-
General Supplies	71,445.36								71,445.36
Textbooks	-								-
Other Objects	-								-
Total Instruction	518,904.95	-	-	-	-	-	-	-	518,904.95
Support Services:									
Salaries of Supervisors of Instruc.	-								-
Salaries of Program Directors	31,710.00								31,710.00
Salaries of Other Prof. Staff	-								-
Salaries of Sec. & Clerical Asst.	33,640.56								33,640.56
Other Salaries	9,925.00								9,925.00
Personal Services - Empl. Benefits	5,008.89								5,008.89
Purch. Prof. - Educ. Services	1,795.00								1,795.00
Other Purch. Prof. Services	6,983.85								6,983.85
Purch. Technical Services	-								-
Rentals/Equipment Lease Purchase	-								-
Contracted Services - Trans. (Other Than Between Home and School)	-								-
Communications/Telephone	-								-
Tuition	-								-
Travel	6,539.68								6,539.68
Other Purch. Services	3,855.96	16,983.00	34,285.00	159,768.00	61,734.00	111,906.00	55,289.00	12,564.71	456,385.67
Supplies and Materials	66,684.07								66,684.07
Indirect Costs	-								-
Pass Through - Other Districts	-								-
Miscellaneous Expenditures	73,196.04								73,196.04
Total Support Services	239,339.05	16,983.00	34,285.00	159,768.00	61,734.00	111,906.00	55,289.00	12,564.71	691,868.76
Facilities Acquis. & Const. Serv.:									
Buildings	-								-
Instructional Equipment	2,351.00								2,351.00
Noninstructional Equipment	-								-
Total Facil. Acquis. & Const. Serv.	2,351.00	-	-	-	-	-	-	-	2,351.00
Total Expenditures	\$ 760,595.00	\$ 16,983.00	\$ 34,285.00	\$ 159,768.00	\$ 61,734.00	\$ 111,906.00	\$ 55,289.00	\$ 12,564.71	\$ 1,213,124.71

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Total Brought Forward (Ex. E-1d)	Title III Language Instr.	Title III Language Instr. Immig Students-CO	Race to the Top	Title IV, Part A Drug Free Schools		Total Carried Forward
					Current	Carryover	
<u>REVENUES:</u>							
State Sources	\$ 95,884.26	\$					\$ 95,884.26
Federal Sources	448,952.32	88,683.32	34,086.06	15,560.00	-	4,233.00	591,514.70
Local Sources	73,196.04						73,196.04
Total Revenues	618,032.62	88,683.32	34,086.06	15,560.00	-	4,233.00	760,595.00
<u>EXPENDITURES:</u>							
Instruction:							
Salaries of Teachers	240.00	2,199.25					2,439.25
Other Salaries for Instruc.	-						-
Purch. Prof. & Tech. Services	396,892.28		31,735.06	12,160.00		4,233.00	445,020.34
Other Purch. Services	-						-
General Supplies	6,270.00	61,775.36		3,400.00			71,445.36
Textbooks	-						-
Other Objects	-						-
Total Instruction	403,402.28	63,974.61	31,735.06	15,560.00	-	4,233.00	518,904.95
Support Services:							
Salaries of Supervisors of Instruc.	-						-
Salaries of Program Directors	31,710.00						31,710.00
Salaries of Other Prof. Staff	-						-
Salaries of Sec. & Clerical Asst.	28,026.00	5,614.56					33,640.56
Other Salaries	9,925.00						9,925.00
Personal Services - Empl. Benefits	4,411.14	597.75					5,008.89
Purch. Prof. - Educ. Services	1,750.00	45.00					1,795.00
Other Purch. Prof. Services	3,833.00	3,150.85					6,983.85
Purch. Technical Services	-						-
Rentals/Equipment Lease Purchase	-						-
Contracted Services - Trans. (Other Than Between Home and School)	-						-
Communications/Telephone	-						-
Tuition	-						-
Travel	6,539.68						6,539.68
Other Purch. Services	3,855.96						3,855.96
Supplies and Materials	51,383.52	15,300.55					66,684.07
Indirect Costs	-						-
Pass Through - Other Districts	-						-
Miscellaneous Expenditures	73,196.04						73,196.04
Total Support Services	214,630.34	24,708.71	-	-	-	-	239,339.05
Facilities Acquis. & Const. Serv.:							
Buildings	-						-
Instructional Equipment	-		2,351.00				2,351.00
Noninstructional Equipment	-						-
Total Facil. Acquis. & Const. Serv.	-	-	2,351.00	-	-	-	2,351.00
Total Expenditures	\$ 618,032.62	\$ 88,683.32	\$ 34,086.06	\$ 15,560.00	\$ -	\$ 4,233.00	\$ 760,595.00

EDISON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Title II, Part D Educ./ Tech.	Title II, Part D Educ./ Tech. Carryover Summer	Title II, Part A Teacher Grants	Title II, Part A Teacher Grants CO	FHA/HERO Grant	FHA/HERO Org. Funds	Total Carried Forward
<u>REVENUES:</u>							
State Sources	\$				95,884.26	\$	95,884.26
Federal Sources	1,398.00	4,872.00	430,248.00	12,434.32			448,952.32
Local Sources						73,196.04	73,196.04
Total Revenues	<u>1,398.00</u>	<u>4,872.00</u>	<u>430,248.00</u>	<u>12,434.32</u>	<u>95,884.26</u>	<u>73,196.04</u>	<u>618,032.62</u>
<u>EXPENDITURES:</u>							
Instruction:							
Salaries of Teachers			240.00				240.00
Other Salaries for Instruc.							-
Purch. Prof. & Tech. Services			379,957.96	12,434.32	4,500.00		396,892.28
Other Purch. Services							-
General Supplies	1,398.00	4,872.00					6,270.00
Textbooks							-
Other Objects							-
Total Instruction	<u>1,398.00</u>	<u>4,872.00</u>	<u>380,197.96</u>	<u>12,434.32</u>	<u>4,500.00</u>	<u>-</u>	<u>403,402.28</u>
Support Services:							
Salaries of Supervisors of Instruc.							-
Salaries of Program Directors					31,710.00		31,710.00
Salaries of Other Prof. Staff							-
Salaries of Sec. & Clerical Asst.					28,026.00		28,026.00
Other Salaries					9,925.00		9,925.00
Personal Services - Empl. Benefits					4,411.14		4,411.14
Purch. Prof. - Educ. Services					1,750.00		1,750.00
Other Purch. Prof. Services			3,833.00				3,833.00
Purch. Technical Services							-
Rentals/Equipment Lease Purchase							-
Contracted Services - Trans. (Other Than Between Home and School)							-
Communications/Telephone							-
Tuition							-
Travel					6,539.68		6,539.68
Other Purch. Services					3,855.96		3,855.96
Supplies and Materials			46,217.04		5,166.48		51,383.52
Indirect Costs							-
Pass Through - Other Districts							-
Miscellaneous Expenditures						73,196.04	73,196.04
Total Support Services	<u>-</u>	<u>-</u>	<u>50,050.04</u>	<u>-</u>	<u>91,384.26</u>	<u>73,196.04</u>	<u>214,630.34</u>
Facilities Acquis. & Const. Serv.:							
Buildings							-
Instructional Equipment							-
Noninstructional Equipment							-
Total Facil. Acquis. & Const. Serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ <u>1,398.00</u>	\$ <u>4,872.00</u>	\$ <u>430,248.00</u>	\$ <u>12,434.32</u>	\$ <u>95,884.26</u>	\$ <u>73,196.04</u>	\$ <u>618,032.62</u>

**CAPITAL PROJECTS FUND**

**SECTION – F**



EDISON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES  
YEAR ENDED JUNE 30, 2012

<u>ISSUE/PROJECT TITLE</u>	<u>APPROPRIATIONS</u>	<u>EXPENDITURES TO DATE</u>		<u>TRANSFERS/ CANCELLATIONS</u>	<u>UNEXPENDED BALANCE</u>
		<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>		
Roof Replacement - J.P. Stevens, Thomas Jefferson, Edison High, Benjamin Franklin	\$ 2,314,484.17	\$ 1,316,365.72	\$	(998,118.45)	\$ -
Window Replacement - J.P. Stevens, Woodrow Wilson, James Madison Intermediate, Herbert Hoover, Edison High, James Madison Primary	887,344.50	717,735.76		(169,608.74)	-
Public Address Upgrade - Martin Luther King, James Monroe, Washington James Madison Primary, James Madison Intermediate	180,949.45	169,534.47		(11,414.98)	-
Wing Renovation - James Monroe	1,059,331.28	939,212.00		(120,119.28)	-
Masonry Restoration - James Madison Intermediate	107,151.43	71,552.00		(35,599.43)	-
HVAC Upgrade - Edison High	836,250.00	850,338.35	2,660.00	16,748.35	-
Additions - J.P. Stevens	5,796,325.60	3,770,508.84	91,640.10	(1,831,674.83)	102,501.83
Boiler Replacement - J.P. Stevens			239,100.70	241,426.22	2,325.52
Roof Replacement - J.P. Stevens, Edison High, John Adams			649,001.28	651,514.94	2,513.66
Drainage Remediation - Lindeneau			206,645.37	218,066.24	11,420.87
Turf Fields - Edison High, J.P. Stevens			995,779.46	2,038,779.96	1,043,000.50
<b>TOTALS</b>	<b>\$ <u>11,181,836.43</u></b>	<b>\$ <u>7,835,247.14</u></b>	<b>\$ <u>2,184,826.91</u></b>	<b>\$ <u>-</u></b>	<b>\$ <u>1,161,762.38</u></b>

Reconciliation - Unexpended Capital Project Balances  
to Fund Balance - June 30, 2012:

Unexpended Project Balances - June 30, 2012

Less:

Unearned Additional State School Aid - NJSDA Grants

Total Fund Balance - June 30, 2012

\$ 1,161,762.38

-

\$ 1,161,762.38

EDISON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE  
IN FUND BALANCE - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2012

Revenues and Other Financing Sources	
State Sources - NJSDA Grant	\$ -
Bond proceeds and transfers	
Lease purchase agreement	
Contribution from private source	
Transfer from capital reserve	
Transfer from capital outlay	
Total revenues	<u>-</u>
Expenditures and Other Financing Uses	
Purchased professional and technical services	2,005,946.98
Construction services	178,879.93
Equipment purchases	
Transfer to debt service fund	
Total expenditures	<u>2,184,826.91</u>
Excess (deficiency) of revenues over (under) expenditures	(2,184,826.91)
Less: Deferred Revenue adjustment	<u>-</u>
Subtotal	(2,184,826.91)
Fund balance - beginning	3,346,589.29
Fund balance - ending	<u>\$ 1,161,762.38</u>

Edison Township School District  
Capital Projects Fund  
Schedule of Project Revenues, Expenditures,  
Project Balance and Project Status -  
Budgetary Basis  
From Inception and for the Year Ended June 30, 2012

Project Name: Project Number:	Totals	JMES Wing 1290-093-09-ORAT	JMI Masonry 1290-090-09-ORAP	TJMS Roof 1290-060-09-ORAJ	BFES Roof 1290-065-09-ORAM	EHS Roof 1290-050-09-ORAB	JPS Roof 1290-053-09-ORAE	HHMS Window 1290-057-09-ORAH	JMI Windows 1290-090-09-ORAN
<b>Revenues and Other Financing</b>									
<b>Sources - as Revised:</b>									
State sources - NJSDA Grant	\$ 2,429,030.03	\$ 375,684.80	\$ 28,620.80	\$ 79,234.40	\$ 47,320.00	\$ 146,016.00	\$ 253,975.89	\$ 6,251.23	\$ 76,822.43
Bond proceeds and transfers	-	-	-	-	-	-	-	-	-
Lease purchase agreement	4,975,048.00	-	-	-	-	-	-	-	-
Contributions from private sources	-	-	-	-	-	-	-	-	-
Transfer from capital reserve	-	-	-	-	-	-	-	-	-
Transfer from capital outlay	3,777,758.40	683,646.48	78,530.63	262,944.61	123,747.95	817,210.15	584,035.18	44,372.50	158,666.81
Transfer (from)/to other projects	-	(120,119.28)	(35,599.43)	(144,093.01)	(52,767.95)	(598,186.15)	(203,071.35)	(34,995.65)	(43,433.16)
Total revenues	\$ 11,181,836.43	939,212.00	71,552.00	198,086.00	118,300.00	365,040.00	634,939.72	15,628.08	192,056.08
<b>Expenditures and Other Financing</b>									
<b>Uses - Prior Periods:</b>									
Purchased professional and technical services	749,653.62	45,011.00	2,752.00	8,426.00	4,550.00	14,040.00	24,779.00	601.08	6,946.08
Land and Improvements	-	-	-	-	-	-	-	-	-
Construction services	7,085,593.52	894,201.00	68,800.00	189,660.00	113,750.00	351,000.00	610,160.72	15,027.00	185,110.00
Equipment purchases	-	-	-	-	-	-	-	-	-
Total expenditures - Prior Periods	\$ 7,835,247.14	939,212.00	71,552.00	198,086.00	118,300.00	365,040.00	634,939.72	15,628.08	192,056.08
<b>Expenditures and Other Financing</b>									
<b>Uses - Current Year:</b>									
Purchased professional and technical services	2,005,946.98	-	-	-	-	-	-	-	-
Land and Improvements	-	-	-	-	-	-	-	-	-
Construction services	178,879.93	-	-	-	-	-	-	-	-
Equipment purchases	-	-	-	-	-	-	-	-	-
Total expenditures - Current Year	2,184,826.91	-	-	-	-	-	-	-	-
Total expenditures - from inception to June 30, 2012	10,020,074.05	939,212.00	71,552.00	198,086.00	118,300.00	365,040.00	634,939.72	15,628.08	192,056.08
Excess (deficiency) or revenues over (under) expenditures	\$ 1,161,762.38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.00)	\$ 0.00	\$ 0.00
<b>Additional project information:</b>									
Grant date	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09
Bond authorization date	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bonds authorized	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bonds Issued	NA	NA	NA	NA	NA	NA	NA	NA	NA
Original authorized cost	1,118,476.00	124,680.00	413,128.00	197,050.00	1,257,763.00	938,000.00	67,855.00	256,875.00	
Increase/Decrease local authorized cost	(179,264.00)	(53,128.00)	(215,042.00)	(78,750.00)	(892,723.00)	(303,060.28)	(52,226.92)	(64,818.92)	
Revised authorized cost	939,212.00	71,552.00	198,086.00	118,300.00	365,040.00	634,939.72	15,628.08	192,056.08	
Percentage increase over original authorized cost	-16%	-43%	-52%	-40%	-71%	-32%	-77%	-25%	
Percentage completion	100%	100%	100%	100%	100%	100%	100%	100%	
Original target completion date	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	
Revised target completion date	-	-	-	-	-	-	-	-	

Edison Township School District  
Capital Projects Fund  
Schedule of Project Revenues, Expenditures,  
Project Balance and Project Status -  
Budgetary Basis  
From Inception and for the Year Ended June 30, 2012

Project Name:	JMP Windows	WWMS Windows	EHS Windows	JPS Windows	JMI PA System	JMP PA System	Monroe PA System	MLK PA System	Wash. PA System
Project Number:	1290-092-09-0RAR	1290-063-09-0RAL	1290-050-09-0RAA	1290-053-09-0RAF	1290-090-09-0RAO	1290-092-09-0RAQ	1290-093-09-0RAS	1290-104-09-0RAU	1290-150-09-0RAW
<b>Revenues and Other Financing</b>									
<b>Sources - as Revised:</b>									
State sources - NJSDA Grant	\$ 57,820.77	\$ 111,554.56	\$ 23,478.40	\$ 8,213.50	\$ 15,304.00	\$ 9,552.27	\$ 9,073.87	\$ 10,057.50	\$ 14,272.00
Bond proceeds and transfers									
Lease purchase agreement									
Contributions from private sources									
Transfer from capital reserve									
Transfer from capital outlay	135,234.83	191,048.00	37,653.65	36,227.81	24,343.25	22,234.77	22,318.57	25,891.95	27,901.26
Transfer (from)/to other projects	(48,503.68)	(23,716.16)	4,947.47	(23,907.55)	2,817.43	(7,906.36)	(8,707.76)	(10,805.70)	13,187.42
Total revenues	144,551.92	# 278,886.40	66,079.52	20,533.76	42,464.68	23,880.68	22,684.68	25,143.75	55,360.68
<b>Expenditures and Other Financing</b>									
<b>Uses - Prior Periods:</b>									
Purchased professional and technical services	5,428.92	10,726.40	2,541.52	789.76	1,864.68	1,130.68	1,084.68	5,738.75	2,360.68
Land and Improvements									
Construction services	139,123.00	268,160.00	63,538.00	19,744.00	40,600.00	22,750.00	21,600.00	19,405.00	53,000.00
Equipment purchases									
Total expenditures - Prior Periods	144,551.92	278,886.40	66,079.52	20,533.76	42,464.68	23,880.68	22,684.68	25,143.75	55,360.68
<b>Expenditures and Other Financing</b>									
<b>Uses - Current Year:</b>									
Purchased professional and technical services									
Land and Improvements									
Construction services									
Equipment purchases									
Total expenditures - Current Year	-	-	-	-	-	-	-	-	-
Total expenditures - from inception to June 30, 2012	144,551.92	278,886.40	66,079.52	20,533.76	42,464.68	23,880.68	22,684.68	25,143.75	55,360.68
Excess (deficiency) or revenues over (under) expenditures	\$ (0.00)	\$ -	\$ -	0.00	\$ -	\$ 0.00	\$ 0.00	\$ -	\$ -
<b>Additional project information:</b>									
Grant date	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09	5/15/09
Bond authorization date	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bonds authorized	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bonds Issued	NA	NA	NA	NA	NA	NA	NA	NA	NA
Original authorized cost	216,938.00	314,280.00	58,696.00	56,213.00	38,260.00	35,680.00	35,680.00	41,270.00	35,680.00
Increase/Decrease local authorized cost	(72,386.08)	(35,393.60)	7,383.52	(35,679.24)	4,204.68	(11,799.32)	(12,995.32)	(16,126.25)	19,680.68
Revised authorized cost	144,551.92	278,886.40	66,079.52	20,533.76	42,464.68	23,880.68	22,684.68	25,143.75	55,360.68
Percentage increase over original authorized cost	-33%	-11%	13%	-63%	11%	-33%	-36%	-39%	55%
Percentage completion	100%	100%	100%	100%	100%	100%	100%	100%	100%
Original target completion date	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10	6/30/10
Revised target completion date									

Edison Township School District  
Capital Projects Fund  
Schedule of Project Revenues, Expenditures,  
Project Balance and Project Status -  
Budgetary Basis  
From Inception and for the Year Ended June 30, 2012

Project Name:	EHS HVAC	JPS 2nd Floor	JPS Boiler	JPS Roof	JPS Turf Field	JAMS Roof	Lindeneau Drainage	EHS Roof	EHS Turf Field
Project Number:	1290-050-09-0RAC	1290-053-09-0RAD	1290-053-12-1000	1290-053-12-2000	1290-053-12-3000	1290-055-12-1000	1290-103-12-1000	1290-050-12-1000	1290-050-12-3000
<b>Revenues and Other Financing</b>									
<b>Sources - as Revised:</b>									
State sources - NJSDA Grant	\$ 334,500.00	\$ 821,277.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond proceeds and transfers									
Lease purchase agreement		4,975,048.00	-	-	-	-	-	-	-
Contributions from private sources									
Transfer from capital reserve									
Transfer from capital outlay	501,750.00								
Transfer (from)/to other projects	16,748.35	(1,831,674.84)	241,426.22	66,972.84	995,500.00	215,167.98	218,066.24	369,374.12	1,043,279.96
Total revenues	852,998.35	3,964,650.76	241,426.22	66,972.84	995,500.00	215,167.98	218,066.24	369,374.12	1,043,279.96
<b>Expenditures and Other Financing</b>									
<b>Uses - Prior Periods:</b>									
Purchased professional and technical services	28,389.10	582,493.29	-	-	-	-	-	-	-
Land and Improvements									
Construction services	821,949.25	3,188,015.55	-	-	-	-	-	-	-
Equipment purchases									
Total expenditures - Prior Periods	850,338.35	3,770,508.84	-	-	-	-	-	-	-
<b>Expenditures and Other Financing</b>									
<b>Uses - Current Year:</b>									
Purchased professional and technical services	2,660.00	35,527.98	233,900.00	64,440.00	-	207,555.00	174,444.00	356,420.00	931,000.00
Land and Improvements									
Construction services		56,112.12	5,200.70	2,269.08	14,346.34	6,784.76	32,201.37	11,532.44	50,433.12
Equipment purchases									
Total expenditures - Current Year	2,660.00	91,640.10	239,100.70	66,709.08	14,346.34	214,339.76	206,645.37	367,952.44	981,433.12
Total expenditures - from inception to June 30, 2012	852,998.35	3,862,148.94	239,100.70	66,709.08	14,346.34	214,339.76	206,645.37	367,952.44	981,433.12
Excess (deficiency) or revenues over (under) expenditures	\$ -	\$ 102,501.82	\$ 2,325.52	\$ 263.76	\$ 981,153.66	\$ 828.22	\$ 11,420.87	\$ 1,421.68	\$ 61,846.84
<b>Additional project information:</b>									
Grant date	5/15/09	5/15/09	4/27/12	5/23/12	4/27/12	5/23/12	4/27/12	5/23/12	4/27/12
Bond authorization date	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bonds authorized	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bonds Issued	NA	NA	NA	NA	NA	NA	NA	NA	NA
Original authorized cost	836,250.00	4,975,048.00	242,000.00	56,450.00	995,500.00	119,450.00	215,000.00	277,750.00	995,500.00
Increase/Decrease local authorized cost	16,748.35	(1,150,311.18)	(573.78)	10,522.84	-	95,717.98	3,066.24	91,624.12	47,779.96
Revised authorized cost	852,998.35	3,824,736.82	241,426.22	66,972.84	995,500.00	215,167.98	218,066.24	369,374.12	1,043,279.96
Percentage increase over original authorized cost	2%	-23%	0%	19%	0%	80%	1%	33%	5%
Percentage completion	100%	97%	99%	100%	1%	100%	95%	100%	94%
Original target completion date	6/30/11	6/30/11	10/15/12	9/30/12	6/30/13	9/30/12	9/30/12	9/30/12	8/31/12
Revised target completion date	11/30/11	12/31/11							

## **PROPRIETARY FUNDS**

### **SECTION – G**

## **ENTERPRISE FUND**

EDISON SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMBINING STATEMENT OF NET ASSETS  
JUNE 30, 2012

ASSETS

## Current Assets:

Cash and Cash Equivalents	\$ 1,332.49
Accounts Receivable:	
State	3,040.32
Federal	96,733.28
Inventories	53,695.57
Interfunds Receivable	<u>249,994.73</u>

Total Current Assets	<u>404,796.39</u>
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## Fixed Assets

Equipment	801,185.32
Accumulated Depreciation	<u>(720,178.65)</u>

Total Fixed Assets	<u>81,006.67</u>
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Total Assets	<u><u>\$ 485,803.06</u></u>
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LIABILITIES AND NET ASSETS

## Current Liabilities

Accounts Payable	121,963.39
Deferred Revenue	<u>57,115.05</u>

Total Current Liabilities	<u>179,078.44</u>
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## NET ASSETS

Unreserved Retained Earnings	<u>306,724.62</u>
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Total Net Assets	<u>306,724.62</u>
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Total Liabilities and Net Assets	<u><u>\$ 485,803.06</u></u>
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EDISON SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

OPERATING REVENUES

Local Sources:

Daily Sales - Reimbursable and  
Nonreimbursable Programs:  
School Lunch Program

\$ 2,417,815.54

Daily Sales - Non-Reimbursable Programs  
Special Functions and Other Sales

326,476.37

Total Operating Revenues

2,744,291.91

OPERATING EXPENSES

Salaries  
Employee Benefits  
Depreciation  
Cost of Sales  
Food Costs - Food Distribution Program  
Supplies and Materials - Semi-Variable Costs  
Miscellaneous Costs  
General & Administrative - Management Fee

1,154,645.89

391,612.87

10,562.06

1,776,585.34

235,330.48

285,194.31

196,257.60

349,742.45

Total Operating Expenses

4,399,931.00

Operating Income (Loss)

(1,655,639.09)

Non-Operating Revenues:

State Sources

State School Lunch Program

43,927.77

Federal Sources:

National School Lunch Program

1,142,086.68

School Breakfast Program

145,994.61

After School Snack Program

9,020.10

Prior Year Reimbursement

-

Food Distribution Program

235,330.48

Interest Revenue

221.56

Total Non-Operating Revenues

1,576,581.20

Net Income (Loss)

(79,057.89)

Net Assets - Beginning of the year

385,782.51

Net Assets - End of the year

\$ 306,724.62

EDISON SCHOOL DISTRICT  
FOOD SERVICES ENTERPRISE FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2012

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 2,782,797.74
Payments to Suppliers	<u>(4,126,228.75)</u>
Net Cash Provided by (used for) Operating Activities	<u>(1,343,431.01)</u>
Cash Flows from Non-Capital Financing Activities	
Interest Income	221.56
Federal and State Sources	<u>1,341,029.16</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,341,250.72</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,180.29)
Cash and Cash Equivalents, July 1	<u>3,512.78</u>
Cash and Cash Equivalents, June 30	\$ <u><u>1,332.49</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (1,655,639.09)
Adjust. to Reconcile Operating Income (Loss) to Cash Provided (Used) by Oper. Activities:	
Depreciation	10,562.06
Federal Commodities	235,330.48
(Increase) Decrease in Accounts Receivable	(99,773.60)
(Increase) Decrease in Inventory	(34,829.97)
(Increase) Decrease in Interfunds Receivable	40,706.27
Increase (Decrease) in Deferred Revenue	38,249.45
Increase (Decrease) in Accounts Payable	<u>121,963.39</u>
Net Cash Used by Operating Activities	\$ <u><u>(1,343,431.01)</u></u>

## **INTERNAL SERVICE FUND**

EDISON SCHOOL DISTRICT  
 WORKERS COMPENSATION INSURANCE INTERNAL SERVICE FUND  
 COMBINING STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2012

<u>ASSETS</u>	<u>2012</u>
Cash and Cash Equivalents	\$ 614,046.29
Interfunds Receivable	<u>1,978,561.60</u>
Total Assets	\$ <u><u>2,592,607.89</u></u>
<u>LIABILITIES</u>	
Accrued Liability for Compensation Claims	\$ <u>2,738,581.00</u>
Total Liabilities	<u>2,738,581.00</u>
<u>NET ASSETS</u>	
Net Assets	
Unreserved Retained Earnings	<u>(145,973.11)</u>
Total Net Assets	\$ <u><u>(145,973.11)</u></u>

EDISON SCHOOL DISTRICT  
 WORKERS COMPENSATION INSURANCE INTERNAL SERVICE FUND  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>2012</u>
<u>EXPENDITURES</u>	
Accrued Compensation Claims and Expenses	\$ <u>2,034,337.53</u>
Total Expenditures	<u>2,034,337.53</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,034,337.53)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	<u>(2,034,337.53)</u>
Other Financing Sources	
Transfers in	<u>-</u>
Total Other Financing Sources	<u>-</u>
Net Change in Fund Balance	(2,034,337.53)
Net Assets, July 1	<u>1,888,364.42</u>
Net Assets, June 30	\$ <u><u>(145,973.11)</u></u>

EDISON SCHOOL DISTRICT  
 WORKERS COMPENSATION INSURANCE INTERNAL SERVICE FUND  
 STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEARS ENDED JUNE 30, 2012

	<u>2012</u>
Cash Flows from Operating Activities:	
Accrued Compensation Claims	\$ <u>(326,058.64)</u>
Net Cash used for Operating Activities	<u>(326,058.64)</u>
Cash Flows from NonCapital Financing Activities:	
Transfers from General Fund	<u>-</u>
Net Cash Flows provided by NonCapital Financing Activities	<u>-</u>
Net decrease in cash and cash equivalents	(326,058.64)
Cash and Cash Equivalents, July 1	<u>940,104.93</u>
Cash and Cash Equivalents/(Deficit), June 30	\$ <u><u>614,046.29</u></u>
Reconciliation of operating (loss) to net cash (used) by operating activities:	
Operating (loss)	(2,034,337.53)
Adjustments to reconcile operating (loss) to net cash provided by	
(Increase) Decrease in Interfunds Receivable	228,625.32
Increase (Decrease) in Accrued Liabilities for Compensation Claims	<u>1,479,653.57</u>
Total Adjustments	<u>1,708,278.89</u>
Net Cash (used for) operating activities	\$ <u><u>(326,058.64)</u></u>

## **FIDUCIARY FUNDS**

### **SECTION - H**

EDISON SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2012

	<u>TRUST</u>		<u>AGENCY</u>		<u>TOTALS</u>
	<u>UNEMPLOYMENT COMPENSATION TRUST</u>	<u>SCHOLARSHIP FUND</u>	<u>STUDENT ACTIVITY</u>	<u>PAYROLL</u>	<u>2012</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ <u>887,675.01</u>	\$ <u>14,739.83</u>	\$ <u>454,767.44</u>	\$ <u>1,238,586.30</u>	\$ <u>2,595,768.58</u>
Total Assets	\$ <u><u>887,675.01</u></u>	\$ <u><u>14,739.83</u></u>	\$ <u><u>454,767.44</u></u>	\$ <u><u>1,238,586.30</u></u>	\$ <u><u>2,595,768.58</u></u>
<u>LIABILITIES AND NET ASSETS</u>					
Liabilities:					
Payroll Deductions Payable	\$	\$	\$	\$ 1,168,278.77	\$ 1,168,278.77
Employee Flexible Spending				70,307.53	70,307.53
Accounts Payable					-
Due to Student Groups	<u>                    </u>	<u>                    </u>	<u>454,767.44</u>	<u>                    </u>	<u>454,767.44</u>
Total Liabilities	<u>-</u>	<u>-</u>	\$ <u>454,767.44</u>	\$ <u>1,238,586.30</u>	\$ <u>1,693,353.74</u>
Net Assets:					
Held Trust for Unemployment					
Claims and Other Purposes	\$ <u>887,675.01</u>	\$ <u>-</u>			\$ <u>887,675.01</u>
Reserved for Scholarships	<u>                    </u>	<u>14,739.83</u>	<u>                    </u>	<u>                    </u>	<u>14,739.83</u>
Total Net Assets	<u>887,675.01</u>	<u>14,739.83</u>	<u>-</u>	<u>-</u>	<u>902,414.84</u>
Total Liabilities and Net Assets	\$ <u><u>887,675.01</u></u>	\$ <u><u>14,739.83</u></u>	\$ <u><u>454,767.44</u></u>	\$ <u><u>1,238,586.30</u></u>	\$ <u><u>2,595,768.58</u></u>



EDISON SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Unemployment Compensation <u>Trust</u>	Scholarship <u>Trust</u>
ADDITIONS		
Contributions:		
District/Plan member	\$ 165,197.22	\$ -
Total Contributions	<u>165,197.22</u>	<u>-</u>
Investment earnings:		
Interest	1,238.72	16.58
Net investment earnings	<u>1,238.72</u>	<u>16.58</u>
Total additions	<u>166,435.94</u>	<u>16.58</u>
DEDUCTIONS		
Quarterly contribution reports	<u>381,599.75</u>	<u>-</u>
Total deductions	<u>381,599.75</u>	<u>-</u>
Change in net assets	(215,163.81)	16.58
Net assets - beginning of the year	<u>1,102,838.82</u>	<u>14,723.25</u>
Net assets - end of the year	<u>\$ 887,675.01</u>	<u>\$ 14,739.83</u>

EDISON SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	BALANCE JULY 1, 2011	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2012
<u>ELEMENTARY SCHOOLS</u>				
Benjamin Franklin	\$ 4,562.38	\$ 21,486.08	\$ 18,143.98	\$ 7,904.48
James Madison				
Intermediate	7,284.01	13,452.14	14,086.27	6,649.88
James Madison Primary	5,480.32	6,801.17	4,523.75	7,757.74
James Monroe	5,218.68	16,358.03	18,967.51	2,609.20
John Marshall	1,326.41	9,085.83	9,620.41	791.83
Lincoln	11,798.30	24,767.79	31,173.37	5,392.72
Lindeneau	1,170.09	7,752.75	7,566.35	1,356.49
Martin Luther King	4,869.27	18,550.65	17,386.07	6,033.85
Menlo Park	8,242.01	11,669.52	17,123.18	2,788.35
Washington	6,330.09	4,739.13	6,991.47	4,077.75
Woodbrook	12,112.87	31,925.30	41,587.24	2,450.93
Total Elementary Schools	\$ <u>68,394.43</u>	\$ <u>166,588.39</u>	\$ <u>187,169.60</u>	\$ <u>47,813.22</u>
<u>MIDDLE SCHOOLS</u>				
Herbert Hoover	\$ 49,659.05	\$ 97,617.56	\$ 126,262.31	\$ 21,014.30
John Adams	60,331.68	95,448.58	96,116.95	59,663.31
Thomas Jefferson	22,603.61	68,260.30	81,135.70	9,728.21
Woodrow Wilson	14,518.49	86,351.47	90,304.00	10,565.96
Total Middle Schools	\$ <u>147,112.83</u>	\$ <u>347,677.91</u>	\$ <u>393,818.96</u>	\$ <u>100,971.78</u>
<u>SENIOR HIGH SCHOOLS AND ATHLETIC FUNDS</u>				
Edison	\$ 84,662.14	\$ 221,974.72	\$ 209,786.84	\$ 96,850.02
Edison Athletic Fund	1,875.39	42,904.40	41,395.10	3,384.69
J.P. Stevens	178,447.14	565,766.46	542,862.32	201,351.28
J.P. Stevens Ath. Fund	66.60	36,192.45	31,862.60	4,396.45
Total Senior High Schools	\$ <u>265,051.27</u>	\$ <u>866,838.03</u>	\$ <u>825,906.86</u>	\$ <u>305,982.44</u>
Total All Schools	\$ <u>480,558.53</u>	\$ <u>1,381,104.33</u>	\$ <u>1,406,895.42</u>	\$ <u>454,767.44</u>

EDISON SCHOOL DISTRICT  
 PAYROLL AGENCY FUND  
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	BALANCE JULY 1, <u>2011</u>	CASH <u>RECEIPTS</u>	CASH <u>DISBURSEMENTS</u>	BALANCE JUNE 30, <u>2012</u>
Payroll Agency	\$ 880,503.06	\$ 65,641,669.47	\$ 65,353,893.76	\$ 1,168,278.77
Flexible Spending	<u>71,880.06</u>	<u>142,260.69</u>	<u>143,833.22</u>	<u>70,307.53</u>
	<u>\$ 952,383.12</u>	<u>\$ 65,783,930.16</u>	<u>\$ 65,497,726.98</u>	<u>\$ 1,238,586.30</u>

## **LONG-TERM DEBT**

### **SECTION - I**

EDISON SCHOOL DISTRICT  
STATEMENT OF SERIAL BONDS  
JUNE 30, 2012

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATES	BALANCE JUNE 30, 2011	ISSUED	RETIRED	BALANCE JUNE 30, 2012
			DATE	AMOUNT					
Construction of Additions and Renovations at Elementary, Middle and High Schools (New Jersey School Bond Reserve Act, ) 1980 N.J. Laws c. 72, as amended)	10/15/02	\$ 8,297,000.00				\$ 390,000.00		\$ 390,000.00	\$ -
Refunding School Bonds (\$8,000,000 of 01/01/2000)	02/01/03	5,545,000.00	07/01/12	465,000.00	4.000%				
			07/01/13	470,000.00	4.000%				
			07/01/14	480,000.00	4.000%				
			07/01/15	490,000.00	4.000%				
			07/01/16	500,000.00	4.000%				
			07/01/17	515,000.00	4.125%				
			07/01/18	525,000.00	4.200%				
			07/01/19	530,000.00	4.300%	4,435,000.00		460,000.00	3,975,000.00
- 112 - Refunding School Bonds (\$5,092,000 of 10/15/2002)	11/17/10	4,995,000.00	07/15/12	405,000.00	2.000%				
			07/15/13	400,000.00	3.000%				
			07/15/14	415,000.00	3.000%				
			07/15/15	425,000.00	3.500%				
			07/15/16	440,000.00	3.500%				
			07/15/17	450,000.00	3.000%				
			07/15/18	470,000.00	4.000%				
			07/15/19	490,000.00	3.500%				
			07/15/20	500,000.00	4.000%				
			07/15/21	500,000.00	3.500%				
			07/15/21	500,000.00	4.000%	4,995,000.00			4,995,000.00
						<u>\$ 9,820,000.00</u>	<u>\$ -</u>	<u>\$ 850,000.00</u>	<u>\$ 8,970,000.00</u>

EDISON SCHOOL DISTRICT  
STATEMENT OF LEASE PURCHASE AGREEMENTS  
JUNE 30, 2012

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES		INTEREST RATES	BALANCE	ISSUED	RETIRED	BALANCE
			YEAR ENDED	AMOUNT		JUNE 30, 2011			JUNE 30, 2012
Woodbrook/Lindeneau Improvs.	05/01/99	\$ 3,570,000.00	12/15/12	\$ 100,000.00	4.600%				
			06/15/13	100,000.00	4.750%				
			12/15/13	105,000.00	4.750%				
			06/15/14	105,000.00	4.750%				
			12/15/14	110,000.00	4.750%				
			06/15/15	110,000.00	4.750%				
			12/15/15	115,000.00	4.750%				
			06/15/16	115,000.00	4.750%				
			12/15/16	120,000.00	4.750%				
			06/15/17	120,000.00	4.750%				
			12/15/17	125,000.00	4.750%				
			06/15/18	130,000.00	4.750%				
			12/15/18	130,000.00	4.750%	\$ 1,675,000.00		\$ 190,000.00	\$ 1,485,000.00
Lease Purchase - Networking and Communication Upgrade	07/06/06	1,000,000.00			200,000.00		200,000.00	-	
Roof Repairs & Renovations	07/15/09	3,745,000.00	06/15/13	395,000.00	3.000%				
			06/15/14	410,000.00	3.000%				
			06/15/15	425,000.00	3.000%				
			06/15/16	440,000.00	3.250%				
			06/15/17	450,000.00	3.500%				
			06/15/18	470,000.00	3.750%	2,985,000.00		395,000.00	2,590,000.00
JP Stevens 2nd Floor Renovations	03/15/10	4,975,048.00	03/15/13	1,096,000.00	2.880%				
			03/15/14	1,140,000.00	2.880%				
			03/15/15	1,186,000.00	2.880%	4,475,000.00		1,053,000.00	3,422,000.00
					\$ 9,335,000.00	\$ -	\$ 1,838,000.00	\$ 7,497,000.00	

EDISON SCHOOL DISTRICT  
LONG-TERM DEBT  
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES  
JUNE 30, 2012

<u>SERIES</u>	AMOUNT OUTSTANDING <u>JUNE 30, 2011*</u>	CURRENT YEAR <u>ADJUSTMENTS*</u>	RETIRED CURRENT <u>YEAR*</u>	AMOUNT OUTSTANDING <u>JUNE 30, 2012*</u>
Copy Machines - Administrative & Instructional	<u>\$ 298,205.00</u>	<u>\$ 33,345.00</u>	<u>\$ 98,502.00</u>	<u>\$ 233,048.00</u>
	<u><u>\$ 298,205.00</u></u>	<u><u>\$ 33,345.00</u></u>	<u><u>\$ 98,502.00</u></u>	<u><u>\$ 233,048.00</u></u>

\*Includes principal and interest requirements on monthly lease payments.

EDISON SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,387,738.00		\$ 1,387,738.00	\$ 1,387,738.00	\$ -
State Sources:					
Debt Service State Aid	195,459.00		195,459.00	264,810.00	69,351.00
Homeless Aid		280,780.00	280,780.00	280,780.00	-
Total - State Sources	195,459.00	280,780.00	476,239.00	545,590.00	69,351.00
Total Revenues	1,583,197.00	280,780.00	1,863,977.00	1,933,328.00	69,351.00
EXPENDITURES:					
Regular Debt Service:					
Redemption of Bond Principal	460,000.00	390,000.00	850,000.00	850,000.00	-
Bond Interest	368,037.00	6,825.00	374,862.00	374,861.39	(0.61)
Principal Payments - Lease Purchase	585,000.00		585,000.00	585,000.00	-
Interest Payments - Lease Purchase	173,368.00		173,368.00	173,367.50	(0.50)
Costs of Issuance - Sale of Refunding Bonds	-		-	-	-
Total Regular Debt Service	1,586,405.00	396,825.00	1,983,230.00	1,983,228.89	(1.11)
Total expenditures	1,586,405.00	396,825.00	1,983,230.00	1,983,228.89	(1.11)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,208.00)	(116,045.00)	(119,253.00)	(49,900.89)	69,352.11
Other Financing Sources:					
Refunding Bonds proceeds					-
Refunding Bonds Premium					-
Payment to Bond Escrow Agent					-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(3,208.00)	(116,045.00)	(119,253.00)	(49,900.89)	69,352.11
Fund Balance, July 1	131,469.75		131,469.75	131,469.75	
Fund Balance, June 30	128,261.75	(116,045.00)	12,216.75	81,568.86	69,352.11
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ (3,208.00)	\$ (116,045)	\$ (119,253.00)	\$ (49,900.89)	\$ 69,352.11



## **STATISTICAL SECTION**

### **SECTION – J**

**EDISON BOARD OF EDUCATION  
NET ASSETS BY COMPONENTS  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-1**

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$ 35,181,094	\$ 42,081,441	\$ 49,877,992	\$ 60,674,100	\$ 70,416,288	\$ 72,584,411	\$ 73,381,263	\$ 74,719,690	\$ 76,110,884	\$ 81,142,921
Restricted	178,532	393,180	1,304,032	543,314	235,111	217,687	219,603	3,153,425	9,565,787	4,036,225
Unrestricted	(1,630,323)	(1,135)	982,351	239,233	(1,967,985)	(2,114,619)	(3,562,058)	(1,742,689)	622,861	6,112,464
Total governmental activities net assets	<u>\$ 33,729,304</u>	<u>\$ 42,473,486</u>	<u>\$ 52,164,375</u>	<u>\$ 61,456,647</u>	<u>\$ 68,683,414</u>	<u>\$ 70,687,478</u>	<u>\$ 70,038,809</u>	<u>\$ 76,130,427</u>	<u>\$ 86,299,532</u>	<u>\$ 91,291,611</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 155,639	\$ 181,028	\$ 155,284	\$ 129,540	\$ 145,867	\$ 98,038	\$ 68,880	\$ 22,287	\$ 91,569	\$ 81,007
Restricted				-	-	-	-			
Unrestricted	(111,962)	(124,321)	(92,224)	(101,506)	(42,413)	(58,606)	(2,736)	180,256	294,214	225,462
Total business-type activities net assets	<u>\$ 43,677</u>	<u>\$ 56,707</u>	<u>\$ 63,060</u>	<u>\$ 28,034</u>	<u>\$ 103,455</u>	<u>\$ 39,432</u>	<u>\$ 66,145</u>	<u>\$ 202,544</u>	<u>\$ 385,783</u>	<u>\$ 306,468</u>
District-wide										
Invested in capital assets, net of related debt	\$ 35,336,733	\$ 42,262,469	\$ 50,033,276	\$ 60,803,640	\$ 70,562,155	\$ 72,682,449	\$ 73,450,144	\$ 74,741,978	\$ 76,202,453	\$ 81,223,928
Restricted	178,532	393,180	1,304,032	543,314	235,111	217,687	219,603	3,153,425	9,565,787	4,036,225
Unrestricted	(1,742,285)	(125,456)	890,126	137,727	(2,010,397)	(2,173,225)	(3,564,793)	(1,562,433)	917,075	6,337,926
Total district net assets	<u>\$ 33,772,981</u>	<u>\$ 42,530,193</u>	<u>\$ 52,227,435</u>	<u>\$ 61,484,680</u>	<u>\$ 68,786,868</u>	<u>\$ 70,726,910</u>	<u>\$ 70,104,954</u>	<u>\$ 76,332,971</u>	<u>\$ 86,685,315</u>	<u>\$ 91,598,079</u>

**EDISON BOARD OF EDUCATION  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-2**

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>EXPENSES</b>										
Governmental Activities										
Instruction										
Regular	\$ 58,147,053	\$ 62,115,461	\$ 62,719,657	\$ 67,102,624	\$ 70,331,997	\$ 70,984,016	\$ 75,406,051	\$ 82,441,905	\$ 75,824,065	\$ 77,501,977
Special Education	11,465,838	12,572,101	14,582,768	15,241,573	15,880,809	16,934,353	19,252,012	20,464,766	22,483,000	20,533,556
Other Special Instruction	1,419,953	1,468,928	1,324,917	1,299,127	1,299,008	1,662,809	1,619,937	1,524,609	1,507,743	1,617,027
Other Instruction	1,690,641	1,717,466	1,711,888	1,799,313	1,784,560	1,614,954	1,727,015	1,710,445	1,480,696	1,788,852
Adult/ continuing education programs	272,450	296,946	313,643	310,682	343,223	180,880	179,591	202,806		
Support Services										
Tuition	7,356,238	8,766,093	8,597,648	9,023,830	12,907,563	12,912,889	11,589,931	10,905,647	10,462,183	10,463,006
Student & Instruction Related Services	14,566,509	14,974,310	16,161,892	16,666,372	17,468,083	20,632,823	22,500,053	19,844,347	21,848,881	23,598,078
School Administrative Services	5,362,298	5,444,518	5,448,715	5,428,218	5,746,113	5,378,174	5,162,077	5,589,170	4,248,634	6,292,457
General & Business Administrative Services	4,069,498	3,917,202	4,125,721	3,976,282	4,479,794	4,769,443	4,633,764	5,002,774	5,071,594	5,520,361
Plant Operations and Maintenance	11,780,568	13,674,853	14,292,929	14,482,894	16,015,468	16,150,566	16,744,414	16,340,315	15,628,152	15,970,556
Pupil Transportation	7,569,614	7,341,390	7,123,519	7,242,723	9,243,992	9,529,692	10,459,101	9,450,453	8,714,374	9,477,918
Unallocated Benefits	26,278,031	31,159,373	34,638,589	39,810,480	42,316,480	44,410,510	38,438,332	40,487,589	43,631,352	49,696,265
Special Schools	133,632	159,003	141,044	141,932	141,063	197,102	164,716	173,178	178,176	283,557
Charter Schools										
Interest on Long-Term Debt	1,204,228	1,006,836	971,562	905,110	871,006	797,171	750,169	644,116	687,456	492,801
Other related capital assets and debt (net)		777,921								
Unallocated Depreciation & Amortization	407,087	439,454	561,421	513,245	589,587	358,415	837,601	698,313	1,073,275	726,878
Capital Outlay										
Total Governmental Activities	<u>151,723,636</u>	<u>165,831,855</u>	<u>172,715,915</u>	<u>183,944,403</u>	<u>199,418,747</u>	<u>206,513,798</u>	<u>209,464,763</u>	<u>215,480,434</u>	<u>212,839,581</u>	<u>223,963,288</u>
Business-Type Activities:										
Food Service	2,860,820	3,116,258	3,320,321	3,325,413	3,440,533	3,682,840	3,680,889	3,737,016	3,726,627	4,400,187
Child Care										
Total Business-Type Activities	<u>2,860,820</u>	<u>3,116,258</u>	<u>3,320,321</u>	<u>3,325,413</u>	<u>3,440,533</u>	<u>3,682,840</u>	<u>3,680,889</u>	<u>3,737,016</u>	<u>3,726,627</u>	<u>4,400,187</u>
Total Primary Government Expenses	<u>\$ 154,584,456</u>	<u>\$ 168,948,112</u>	<u>\$ 176,036,236</u>	<u>\$ 187,269,816</u>	<u>\$ 202,859,280</u>	<u>\$ 210,196,638</u>	<u>\$ 213,145,652</u>	<u>\$ 219,217,450</u>	<u>\$ 216,566,208</u>	<u>\$ 228,363,475</u>
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pupil Transportation										
Unallocated Benefits	9,340,021	11,225,025	11,927,496	13,849,225	20,310,280	20,751,763	13,916,640	14,480,226	14,668,932	18,296,710
Business and Other Support Services										
Operating Grants and Contributions										
Interest on Long-Term Debt	354,736	349,982	343,217	143,460	332,597	328,075	325,093	319,524	267,789	545,590
Capital Grants and Contributions										
Total Governmental Activities Program Revenues	<u>9,694,757</u>	<u>11,575,007</u>	<u>12,270,713</u>	<u>13,992,685</u>	<u>20,642,877</u>	<u>21,079,838</u>	<u>14,241,733</u>	<u>14,799,750</u>	<u>14,936,721</u>	<u>18,842,300</u>

**EDISON BOARD OF EDUCATION  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-2**

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-Type Activities										
Charges for Services										
Food Service	2,329,774	2,521,516	2,668,026	2,538,913	2,669,602	2,653,899	2,722,751	2,636,635	2,656,156	2,744,292
Child Care										
Operating Grants and Contributions	500,489	607,771	658,648	751,474	846,352	964,919	979,546	1,229,284	1,250,622	1,576,360
Capital Grants and Contributions										
Total Business Type Activities Program Revenues	<u>2,830,262</u>	<u>3,129,288</u>	<u>3,326,674</u>	<u>3,290,387</u>	<u>3,515,954</u>	<u>3,618,818</u>	<u>3,702,297</u>	<u>3,865,919</u>	<u>3,906,778</u>	<u>4,320,652</u>
Total District Program Revenues	<u>\$ 12,525,019</u>	<u>\$ 14,704,295</u>	<u>\$ 15,597,386</u>	<u>\$ 17,283,072</u>	<u>\$ 24,158,832</u>	<u>\$ 24,698,656</u>	<u>\$ 17,944,030</u>	<u>\$ 18,665,669</u>	<u>\$ 18,843,499</u>	<u>\$ 23,162,952</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (142,028,879)	\$ (154,256,848)	\$ (160,445,202)	\$ (169,951,718)	\$ (178,775,869)	\$ (185,433,960)	\$ (195,223,030)	\$ (200,680,684)	\$ (197,902,860)	\$ (205,120,987)
Business-Type Activities	(30,558)	13,030	6,353	(35,026)	75,421	(64,022)	21,408	128,903	180,151	(79,536)
Total District-Wide Net Expense	<u>\$ (142,059,437)</u>	<u>\$ (154,243,818)</u>	<u>\$ (160,438,850)</u>	<u>\$ (169,986,744)</u>	<u>\$ (178,700,449)</u>	<u>\$ (185,497,982)</u>	<u>\$ (195,201,622)</u>	<u>\$ (200,551,781)</u>	<u>\$ (197,722,709)</u>	<u>\$ (205,200,523)</u>
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental Activities										
Property Taxes, Levied for General Purposes, Net	\$ 127,420,471	\$ 138,070,813	\$ 144,765,536	\$ 151,165,612	\$ 158,946,183	162,393,143	168,982,638	174,745,531	183,239,782	186,903,983
Taxes Levied for Debt Service	1,510,806	2,113,495	1,533,748	2,113,100	1,753,245	1,733,711	1,726,306	1,688,900	1,841,249	1,387,738
Unrestricted Grants and Contributions	17,461,192	16,308,942	14,663,087	18,115,301	16,288,896	14,602,823	16,211,061	19,475,906	11,952,014	14,908,375
Restricted Grants and Contributions	5,292,726	5,619,737	7,853,862	5,981,175	6,139,714	6,345,413	5,638,462	9,110,623	8,605,642	5,510,649
Tuition Received	279,884	149,376	100,448	71,508	295,962	85,997	173,477	169,794	240,243	357,727
Investment earnings										
Miscellaneous Income	1,130,130	1,689,766	1,371,772	1,882,428	2,635,417	2,353,400	1,706,264	1,577,987	2,114,294	1,264,921
Special Item(s) - Prior Year Adjustments - Net	(16,243)	(38,984)					171,026	53,925	205,875	(3,307)
Transfers	(789,548)	(912,114)	(152,362)	(85,134)	(56,781)	(76,463)	(34,873)	(50,363)	(127,134)	(217,020)
Total Governmental Activities	<u>152,289,416</u>	<u>163,001,030</u>	<u>170,136,091</u>	<u>179,243,990</u>	<u>186,002,636</u>	<u>187,438,024</u>	<u>194,574,361</u>	<u>206,772,302</u>	<u>208,071,965</u>	<u>210,113,066</u>
Business-Type Activities										
Miscellaneous Income							5,305	7,496	3,088	222
Transfers										
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,305</u>	<u>7,496</u>	<u>3,088</u>	<u>222</u>
Total Primary Government	<u>\$ 152,289,416</u>	<u>\$ 163,001,030</u>	<u>\$ 170,136,091</u>	<u>\$ 179,243,990</u>	<u>\$ 186,002,636</u>	<u>\$ 187,438,024</u>	<u>\$ 194,579,665</u>	<u>\$ 206,779,798</u>	<u>\$ 208,075,053</u>	<u>\$ 210,113,287</u>
<b>Change in Net Assets</b>										
Governmental Activities	\$ 10,260,538	\$ 8,744,183	\$ 9,690,889	\$ 9,292,272	\$ 7,226,767	\$ 2,004,064	\$ (648,669)	\$ 6,091,618	\$ 10,169,105	\$ 4,992,078
Business-Type Activities	(30,558)	13,030	6,353	(35,026)	75,421	(64,022)	26,712	136,399	183,239	(79,314)
Total District	<u>\$ 10,229,980</u>	<u>\$ 8,757,212</u>	<u>\$ 9,697,242</u>	<u>\$ 9,257,246</u>	<u>\$ 7,302,188</u>	<u>\$ 1,940,042</u>	<u>\$ (621,957)</u>	<u>\$ 6,228,017</u>	<u>\$ 10,352,344</u>	<u>\$ 4,912,764</u>

Source: CAFR Schedule A-2

**EDISON BOARD OF EDUCATION**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**  
*(modified accrual basis of accounting)*

**Exhibit J-3**

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved:	\$ 500	\$ 500	\$ 358,128	\$ 658,885	\$ 210,442	\$ 217,687	\$ 219,603	\$ 222,356	\$ 4,199,364	\$ 2,938,867
Unreserved:	507,462	1,598,566	3,055,728	2,321,879	1,108,457	646,307	(1,254,761)	(449,387)	3,117,979	8,733,763
Total General Fund	<u>\$ 507,962</u>	<u>\$ 1,599,066</u>	<u>\$ 3,413,856</u>	<u>\$ 2,980,764</u>	<u>\$ 1,318,899</u>	<u>\$ 863,994</u>	<u>\$ (1,035,158)</u>	<u>\$ (227,031)</u>	<u>\$ 7,317,343</u>	<u>\$ 11,672,629</u>
All Other Governmental Funds										
Reserved:			\$ 1,562,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, Reported In:										
Special Revenue Fund	(38,976)	(12,501)	(12,574)	(13,132)	(13,132)	(13,132)				
Capital Projects Fund	177,456	315,871	(259,461)	542,362	23,881			2,931,070	3,346,589	1,161,762
Debt Service Fund	576	76,809		452	787	9,344	9,009	12,217	131,470	81,569
Total All Other Governmental Funds	<u>\$ 139,056</u>	<u>\$ 380,179</u>	<u>\$ 1,290,958</u>	<u>\$ 529,682</u>	<u>\$ 11,536</u>	<u>\$ (3,788)</u>	<u>\$ 9,009</u>	<u>\$ 2,943,286</u>	<u>\$ 3,478,059</u>	<u>\$ 1,243,331</u>

Source: CAFR Schedule B-1

**EDISON BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**  
*(modified accrual basis of accounting)*

**Exhibit J-4**

	Fiscal Year Ending June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues</b>										
Tax levy	\$ 128,931,277	\$ 140,184,308	\$ 146,299,284	\$ 153,278,712	\$ 160,699,428	\$ 164,126,854	\$ 170,708,944	\$ 176,434,431	\$ 185,081,031	\$ 188,291,721
Tuition charges	279,884	149,376	100,448	71,508	295,962	85,997	173,477	169,794	240,243	357,727
Local charges										
Transportation charges				-	-		611,952	602,375	923,819	773,676
Miscellaneous	1,130,130	1,689,766	1,371,772	1,882,428	2,635,417	2,353,400	1,012,843	915,704	1,119,750	418,049
Local sources							81,469	59,908	70,725	73,196
State sources	29,493,694	29,856,544	30,165,331	33,664,179	38,343,929	37,778,955	31,740,750	37,019,157	28,782,598	33,905,359
Federal sources	2,954,981	3,647,141	4,622,330	4,424,982	4,727,559	4,249,118	4,350,506	7,188,400	6,443,990	5,355,965
Total revenue	<u>162,789,965</u>	<u>175,527,135</u>	<u>182,559,166</u>	<u>193,321,809</u>	<u>206,702,295</u>	<u>208,594,325</u>	<u>208,679,941</u>	<u>222,389,768</u>	<u>222,662,156</u>	<u>229,175,693</u>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	56,555,291	60,418,030	61,115,855	65,455,814	68,748,445	69,856,563	72,041,253	79,290,847	71,933,736	74,684,942
Special education instruction	11,465,838	12,572,101	14,582,768	15,241,573	15,880,809	16,934,353	19,252,012	20,464,766	22,483,000	20,533,556
Other special instruction	1,419,953	1,468,928	1,324,917	1,299,127	1,299,008	1,662,809	1,619,937	1,524,609	1,507,743	1,617,027
Vocational education										
Other instruction	1,690,641	1,717,466	1,711,888	1,799,313	1,784,560	1,614,954	1,727,015	1,710,445	1,480,696	1,788,852
Nonpublic school programs										
Adult/continuing education	272,450	296,946	313,643	310,682	343,223	180,880	179,591	202,806		
<b>Support Services:</b>										
Tuition	7,356,238	8,766,093	8,597,648	9,023,830	12,907,563	12,912,889	11,589,931	10,905,647	10,462,183	10,463,006
Student & inst. related services	14,552,019	14,974,310	16,161,892	16,666,372	17,468,083	20,632,823	22,500,053	19,844,347	21,848,881	23,598,078
General administration										
School administrative services	5,371,385	5,444,518	5,581,384	5,636,851	5,714,907	5,946,655	6,037,172	6,190,225	5,959,370	6,263,586
Other administrative services	3,753,967	3,917,202	4,258,390	4,184,915	4,479,794	4,769,443	4,633,764	5,002,774	5,071,594	5,520,361
Central services										
Admin. information technology										
Plant operations and maintenance	11,785,571	13,674,853	14,292,929	14,482,894	16,015,468	16,150,566	16,744,414	16,340,315	15,628,152	15,970,556
Pupil transportation	7,570,354	7,341,390	7,123,519	7,242,723	9,243,992	9,529,692	10,459,101	9,450,453	8,714,374	9,477,918
Unallocated Benefits							37,901,126	39,913,850	41,943,194	47,661,928
Other Support Services										
Employee benefits	26,278,031	31,159,373	33,361,073	38,912,133	41,006,714	43,015,212				
Food Service										
Special Schools	133,632	159,003	141,044	141,932	141,063	197,102	164,716	173,178	178,176	283,557
Charter Schools										
Capital outlay	21,308,929	8,774,531	7,938,948	13,004,197	12,158,928	1,994,027	2,633,843	8,889,096	3,219,906	7,021,558
Debt service:										
Principal	1,005,000	1,270,000	1,340,000	1,395,000	1,205,000	1,235,000	1,280,000	1,375,000	1,395,000	1,435,000
Interest and other charges	861,383	1,117,244	999,031	937,684	880,506	818,229	771,734	630,216	687,221	548,229
Total expenditures	<u>171,380,681</u>	<u>173,071,988</u>	<u>178,844,930</u>	<u>195,735,040</u>	<u>209,278,063</u>	<u>207,451,198</u>	<u>209,535,662</u>	<u>221,908,576</u>	<u>212,513,226</u>	<u>226,868,152</u>
Excess (Deficiency) of revenues over (under) expenditures	(8,590,716)	2,455,148	3,714,236	(2,413,231)	(2,575,768)	1,143,127	(855,721)	481,192	10,148,930	2,307,541
<b>Other Financing sources (uses)</b>										
Refunding Bonds proceeds	8,297,000			-	1,000,000				4,995,000	
Payment to Bond Escrow Agent									(5,185,309)	
Lease Purchases								4,975,048		
Capital leases (non-budgeted)	505,404	168,995		2,440,151	467,013	33,229		318,880	59,045	33,345
Spec. Education Extraordinary Aid Recovery									(164,522)	
Debt Service Aid Adjustment									(119,252)	(69,351)
Transfer-Out- Workers Compensation						(1,570,122)	(1,166,786)	(1,215,000)	(2,300,000)	
Prior Year Accounts Receivable/ Payables Adjusted - Net							171,026	53,925	489,649	66,044
Transfers in	2,788,181									
Transfers out	(3,838,158)	(1,291,915)	(917,577)	(1,221,289)	(1,071,255)	(76,463)	(34,873)	(50,363)	(127,134)	(217,020)
Adjustments (net) - Special Rev. Fund			(71,090)							
Total other financing sources (uses)	<u>7,752,427</u>	<u>(1,122,920)</u>	<u>(988,667)</u>	<u>1,218,862</u>	<u>395,758</u>	<u>(1,613,357)</u>	<u>(1,030,633)</u>	<u>4,082,490</u>	<u>(2,352,524)</u>	<u>(186,982)</u>
<b>Special Item</b>										
Cancellation of Accrued Liability	-	-	-	-	-	-	-	-	-	-
Deferred Revenue Adjustment	-	-	-	-	-	-	-	(821,278)	-	-
Total special item	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(821,278)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (838,289)</u>	<u>\$ 1,332,228</u>	<u>\$ 2,725,569</u>	<u>\$ (1,194,369)</u>	<u>\$ (2,180,010)</u>	<u>\$ (470,230)</u>	<u>\$ (1,886,354)</u>	<u>\$ 3,742,404</u>	<u>\$ 7,796,407</u>	<u>\$ 2,120,559</u>
Debt service as a percentage of noncapital expenditures	1.24%	1.45%	1.37%	1.28%	1.06%	1.00%	0.99%	0.94%	0.99%	0.90%
<b>Source: District records</b>										

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

**EDISON BOARD OF EDUCATION  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-5**

*(modified accrual basis of accounting)*

	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Adult Education Fees</u>	<u>Miscellaneous</u>	<u>Building Use Fees</u>	<u>Annual Totals</u>
Fiscal Year Ending June 30,						
2003	\$ 279,883.75	\$ 195,925.37	\$ 222,174.28	\$ 477,873.24	\$ -	\$ 1,175,856.64
2004	149,376	52,667	260,417	1,163,412	-	1,625,871
2005	100,448	196,350	270,178	699,192	-	1,266,169
2006	39,457	387,700	264,533	666,261	-	1,357,950
2007	153,164	840,525	235,242	514,842	-	1,743,773
2008	85,997	364,838	235,648	63,475	718,790	1,468,748
2009	173,477	226,840	295,108	224,328	266,567	1,186,320
2010	169,794	69,895		619,360	223,696	1,082,745
2011	240,243	69,051		1,046,252		1,355,547
2012	357,727	51,588		366,461		775,776

Source: District records

**EDISON BOARD OF EDUCATION  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-6**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate <sup>b</sup>
2003	\$ 131,249,800	\$ 4,161,565,200	\$ -	\$ 19,200	\$ 1,110,473,700	\$ 1,312,751,800	\$ 481,875,700	\$ 7,197,935,400	\$ 55,628,700	\$ 16,932,144	\$ 7,214,867,544	\$ 9,405,380,712	\$ 1.890
2004	129,265,100	4,180,499,515	-	19,200	1,127,101,200	1,313,984,300	477,497,800	7,228,367,115	43,247,200	15,021,082	7,243,388,197	9,442,560,549	2.001
2005	170,124,500	4,245,761,400	-	22,200	1,133,600,900	1,279,202,000	467,037,800	7,295,748,800	33,453,600	13,879,342	7,309,628,142	9,528,911,670	2.080
2006	173,295,900	4,248,390,800	-	15,000	1,124,622,700	1,275,084,300	470,403,300	7,291,812,000	30,261,900	11,314,357	7,303,126,357	9,520,435,871	2.171
2007	167,916,500	4,322,860,900	-	14,600	1,105,731,700	1,278,726,600	454,295,000	7,329,545,300	22,306,700	10,345,995	7,339,891,295	9,568,363,049	2.231
2008	168,454,100	4,359,806,200	-	14,600	1,113,955,400	1,259,429,800	456,944,900	7,358,605,000	14,718,400	9,754,893	7,368,359,893	9,605,475,027	2.289
2009	167,522,800	4,418,880,900	-	14,600	1,106,888,800	1,178,035,800	455,797,600	7,327,140,500	11,248,200	9,519,148	7,336,659,648	9,564,150,239	2.383
2010	154,149,100	4,453,710,400	-	21,500	1,095,414,700	1,162,540,900	430,375,500	7,296,212,100	6,938,400	9,353,760	7,305,565,860	9,523,616,034	2.490
2011	143,814,100	4,470,058,100	-	21,500	1,078,068,700	995,247,500	418,501,300	7,105,711,200	2,602,700	8,539,091	7,114,250,291	9,274,214,954	2.625
2012	139,055,500	4,484,044,000	-	21,500	1,091,939,000	946,466,000	385,957,000	7,047,483,000	2,602,700	8,894,673	7,056,377,673	9,198,771,572	2.668

Source: Middlesex County Abstract of Ratables

**Note:** Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

**a** Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

**b** Tax rates are per \$100



**EDISON BOARD OF EDUCATION  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-7**

*(rate per \$100 of assessed value)*

Fiscal Year Ended June 30	EDISON SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATE		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Town of Edison	Middlesex County	
2003*	1.878	0.012	1.890	0.710	0.459	3.059
2004*	1.986	0.015	2.001	0.735	0.460	3.196
2005*	2.070	0.010	2.080	0.774	0.440	3.294
2006*	2.159	0.012	2.171	0.906	0.513	3.590
2007*	2.220	0.011	2.231	0.948	0.541	3.720
2008*	2.279	0.010	2.289	1.054	0.602	3.945
2009*	2.375	0.008	2.383	1.102	0.643	4.128
2010*	2.483	0.007	2.490	1.102	0.647	4.239
2011*	2.608	0.017	2.625	1.114	0.722	4.461
2012*	2.620	0.048	2.668	1.128	0.733	4.529

Source: District Records and Middlesex County Abstract of Ratables

\* Middlesex County - Includes County Open Space Recreation & Historic Preservation for years 2003 and subsequent.

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

**EDISON BOARD OF EDUCATION  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND TEN YEARS AGO  
UNAUDITED**

**Exhibit J-8**

Taxpayer	YEAR ENDED JUNE 30, 2012			YEAR ENDED JUNE. 30, 2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
ISAAC HELLER	\$ 149,116,100	1	2.12%	\$ 204,792,800	1	2.86%
SHOPPING CTR. ASSOC. (MENLO PK.)	143,882,400	2	2.04%	143,789,200	3	2.01%
CENTER REALTY/FED. STORAGE WHSE.	143,618,500	3	2.04%	189,353,000	2	2.64%
GARDEN STATE BLDGS./RARITAN PLAZA	116,881,400	4	1.66%	126,561,000	4	1.77%
NEW YORK TIMES CO.				88,749,600	5	1.24%
COOPER ASSOCIATES	59,362,200	5	0.84%	87,950,900	6	1.23%
DURHAM WOODS ASSOC.	47,764,500	6	0.68%	55,500,000	7	0.78%
FORD MOTOR COMPANY				48,140,900	8	0.67%
KTR EDISON,LLC	45,693,600	7	0.65%			
PROLOGIS/SECURITY CAPITAL TRUST	43,113,300	8	0.61%			
HARTZ MOUNTAIN	41,370,500	9	0.59%			
MORRIS ASSOCIATES	38,602,600	10	0.55%			
EDISON CENTER ASSOC.	36,744,800	11	0.52%	27,965,200	15	0.39%
PSE&G	36,365,900	12	0.52%	36,370,000	11	0.51%
BLUEBERRY VILLAGE/EDISON VILLAGE	35,368,700	13	0.50%	44,757,300	9	0.63%
KEYSTONE NJ ASSOC				37,844,500	10	0.53%
MARGATE TENNANTS CORP.	32,864,000	14	0.47%	32,864,000	12	0.46%
RIVENDELL	29,228,400	15	0.41%	29,109,000	13	0.41%
TORSIELLO ASSOC.	27,861,200	16	0.40%	23,604,100	20	0.33%
MILBROOK GARDENS	20,431,800	17	0.29%	28,549,000	14	0.40%
OTR ASSOCIATES	19,164,900	18	0.27%			
OXFORD ARMS	18,309,700	19	0.26%			
MOBIL OIL				24,066,000	19	0.34%
WCI-WESTINGHOUSE				24,500,000	18	0.34%
EDISON WOODS	17,995,300.00	20	0.26%	25,926,800	17	0.36%
STARWOOD HELLER				26,334,500	16	0.37%
TOTAL	<u>\$ 1,103,739,800</u>		<u>15.68%</u>	<u>\$ 1,306,727,800</u>		<u>18.25%</u>

SOURCE: DISTRICT CAFR & MUNICIPAL TAX ASSESSOR

**EDISON BOARD OF EDUCATION  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-9**

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy<sup>a</sup></u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2003	\$ 128,931,277	\$ 128,931,277	100.00%	-
2004	140,184,308	140,184,308	100.00%	-
2005	146,299,284	146,299,284	100.00%	-
2006	158,446,245	158,446,245	100.00%	-
2007	160,699,428	160,699,428	100.00%	-
2008	164,126,854	164,126,854	100.00%	-
2009	170,708,944	170,708,944	100.00%	-
2010	177,369,377	177,369,377	100.00%	-
2011	185,081,031	185,081,031	100.00%	-
2012	188,291,721	188,291,721	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F)

<sup>a</sup> School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

**EDISON BOARD OF EDUCATION  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-10**

Fiscal Year Ended June 30,	Governmental Activities					Bond Anticipation Notes (BANs)	Business-Type Activities	Total District	Percentage of Personal Income	Per Capita
	Type I General Obligation Bonds	Type II General Obligation Bonds	Certificates of Participation	Lease Purchase Agreements	Capital Leases *		Capital Leases			
2003	\$ 8,795,000	\$ 16,752,000		\$ 11,018,238	\$ 1,736,671			\$ 38,301,910	1.001%	989
2004	7,695,000	15,862,000		9,332,753	1,032,214			33,921,967	0.866%	855
2005	6,595,000	14,912,000		8,231,491	649,031			30,387,522	0.751%	744
2006	5,495,000	13,932,000		7,057,977	2,461,186			28,946,163	0.667%	655
2007	4,395,000	13,157,000		7,495,000	2,283,246			27,330,246	0.589%	582
2008	3,295,000	12,372,000		6,845,000	1,705,311			24,217,311	0.493%	490
2009	2,195,000	11,567,000		6,170,000	929,935			20,861,935	0.446%	445
2010	1,095,000	10,747,000		10,600,048	318,880			22,760,928	0.471%	472
2011		9,820,000		9,335,000	298,205			19,453,205	NA	NA
2012		8,970,000		7,497,000	233,048			16,700,048	NA	NA

Source: District CAFR Schedules I-1

\* Includes Principal and interest requirements

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

**EDISON BOARD OF EDUCATION  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-11**

GENERAL BONDED DEBT OUTSTANDING						
Fiscal Year Ended June 30,	Type I General Obligation Bonds	Type II General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2003	\$ 8,795,000	\$ 16,752,000	\$ -	\$ 25,547,000	0.35%	659
2004	7,695,000	15,862,000	-	23,557,000	0.33%	594
2005	6,595,000	14,912,000	-	21,507,000	0.29%	527
2006	5,495,000	13,932,000	-	19,427,000	0.27%	439
2007	4,395,000	13,157,000	-	17,552,000	0.24%	374
2008	3,295,000	12,372,000	-	15,667,000	0.21%	317
2009	2,195,000	11,567,000	-	13,762,000	0.19%	293
2010	1,095,000	10,747,000	-	11,842,000	0.16%	245
2011		9,820,000	-	9,820,000	0.14%	N/A
2012		8,970,000	-	8,970,000	0.13%	N/A

Source: Township of Edison Tax Assessor  
District Records

a See Exhibit J-6 for Property Tax Data

b See Exhibit J-14 for Population Data

**EDISON BOARD OF EDUCATION  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2012  
UNAUDITED**

**Exhibit J-12**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Town of Edison	71,961,903	100.000%	71,961,903
<b>Other Debt</b>			
County of Middlesex - Statutory Debt Township's Share	661,870,515	14.4063%	95,351,365
Edison Township Participation -- M.C.I.A. Lease Program	265,821	100.000%	<u>265,821</u>
			<u>95,617,186</u>
<b>Subtotal Overlapping Debt</b>			167,579,089
<b>Net Direct Debt of School District</b>			
Edison Township School District General Bond			8,970,000
Edison Township School District Lease Purchase			7,497,000
Edison Township School District Capital Lease			<u>233,048</u>
			<u>16,700,048</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 184,279,137</u></u>

**Sources:** 2011 Annual Debt Statement of Township of Edison, Edison Township Finance Office, 2011 Annual Debt Statement of the County of Middlesex.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and the businesses of Edison. This process recognizes that when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**a** For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**EDISON BOARD OF EDUCATION  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-13**

**Legal Debt Margin Calculation for Fiscal Year 2011**

	<b>Equalized Valuation Basis</b>
<b>2009</b>	16,107,145,526
<b>2010</b>	15,721,206,852
<b>2011</b>	<u>14,846,868,366</u>
<b>[A]</b>	<u><b>\$ 46,675,220,744</b></u>

**Avg Equalized Valuation of Taxable Property**

**[A/3]** \$ 15,558,406,915

**School Borrowing Margin (4%)**

**[B]** 622,336,277

**Net Bonded School Debt**

**[C]** 16,700,048

**Legal Debt Margin**

**[B-C]** **\$ 605,636,229**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$ 336,454,879	\$ 368,561,235	\$ 403,919,575	\$ 448,453,905	\$ 498,173,394	\$ 555,497,840	\$ 602,963,416	\$ 634,040,943	\$ 638,649,124	\$ 622,336,277
Total Net Debt Applicable to Limit	<u>28,798,000</u>	<u>27,448,000</u>	<u>\$ 24,507,000</u>	<u>23,451,163</u>	<u>21,443,000</u>	<u>22,512,000</u>	<u>19,932,000</u>	<u>21,665,928</u>	<u>19,453,205</u>	<u>16,700,048</u>
Legal Debt Margin	<u><u>\$ 307,656,879</u></u>	<u><u>\$ 341,113,235</u></u>	<u><u>\$ 379,412,575</u></u>	<u><u>\$ 425,002,742</u></u>	<u><u>\$ 476,730,394</u></u>	<u><u>\$ 532,985,840</u></u>	<u><u>\$ 583,031,416</u></u>	<u><u>\$ 612,375,015</u></u>	<u><u>\$ 619,195,919</u></u>	<u><u>\$ 605,636,229</u></u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	8.56%	7.45%	6.07%	5.23%	4.30%	4.05%	3.31%	3.42%	3.05%	2.68%

Source: 2011 Annual Debt Statement of the Township of Edison

**EDISON BOARD OF EDUCATION  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-14**

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2002	98,603	\$ 3,786,946,818	38,406 <sup>R</sup>	4.80%
2003	98,711	3,824,557,695	38,745 <sup>R</sup>	4.80%
2004	98,766	3,916,960,794	39,659 <sup>R</sup>	4.00%
2005	99,048	4,043,733,648	40,826 <sup>R</sup>	3.50%
2006	98,137	4,338,047,948	44,204 <sup>R</sup>	3.60%
2007	98,756	4,640,643,196	46,991 <sup>R</sup>	3.10%
2008	99,220	4,907,818,080	49,464 <sup>R</sup>	4.10%
2009	99,736	4,678,815,232	46,912 <sup>R</sup>	7.30%
2010	100,082	4,829,556,992	48,256	7.30%
2011	100,513	N/A	N/A	7.00%

**Source:**

<sup>a</sup> Population information provided by US Bureau of Census, Population Division - Estimates

<sup>b</sup> Personal income has been estimated based upon the municipal population and the personal income presented

<sup>c</sup> Per Capita Data represents County of Middlesex available through 2010

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

<sup>R</sup> Revised



**EDISON BOARD OF EDUCATION  
PRINCIPAL EMPLOYERS  
CURRENT AND SIX YEARS AGO  
UNAUDITED**

**Exhibit J-15**

Employer	2012			2006		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
MIDDLESEX COUNTY COLLEGE	N/A	1	N/A	1,500	1	2.81%
NY TIMES	N/A	2	N/A	1,000	2	1.87%
JFK MEDICAL CENTER	N/A	3	N/A	650	3	1.22%
DR. LEONARD'S HEALTHCARE	N/A	4	N/A	600	4	1.12%
WAKEFERN	N/A	5	N/A	400	5	0.75%
K. HOVANIAN HOMES	N/A	6	N/A	300	6	0.56%
ITC	N/A	7	N/A	300	7	0.56%
VICTORIA CLASSICS	N/A	8	N/A	240	8	0.45%
EDISON POST OFFICE	N/A	9	N/A	240	9	0.45%
AUTOMATIC DISTRIBUTION SYSTEM	N/A	10	N/A	225	10	0.42%
CARDINAL HEALTH	N/A	11	N/A	216	11	0.40%
AMPER, POLITZINER & MATTIA	N/A	12	N/A	200	12	0.37%
YMCA	N/A	13	N/A	200	13	0.37%
EDISON JOB CORPS ACADEMY	N/A	14	N/A	180	14	0.34%
HORIBA JOBIN YVON, INC	N/A	15	N/A	175	15	0.33%
FRANCO MANUFACTURING	N/A	16	N/A	135	16	0.25%
CLARION HOTEL & TOWERS	N/A	17	N/A	130	17	0.24%
EXXON MOBIL	N/A	18	N/A	123	18	0.23%
SHERATON EDISON	N/A	19	N/A	112	19	0.21%
BOSELL EDISON	N/A	20	N/A	102	20	0.19%
	-		-	7,028		13.18%

Source: Township of Edison Chamber of Commerce

Historical Data Not Available

**EDISON BOARD OF EDUCATION  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
UNAUDITED**

**Exhibit J-16**

<b>Function/Program</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Instruction										
Teachers	820	867	890	899	917	902	927	931	854	880
Special Education	174	182	189	194	204	211	223	231	218	224
Other Special Education	19	19	22	23	25	26	28	28	28	28
Classroom Aides	106	124	141	141	140	127	138	137	137	138
Vocational	-	-	-	-	-	-	-	-	-	-
Other Instruction	20	19	19	18	17	19	19	19	18	14
Nonpublic School Programs	-	-	-	-	-	-	-	-	-	-
Adult/Continuing Education Programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition										
Student & Instruction Related Services	153	158	163	165	170	175	178	178	160	163
General Administrative Services	14	14	14	13	13	14	14	14	13	12
School Administrative Services	80	81	83	83	84	84	84	85	79	80
Other Administrative Services	18	16	16	16	16	15	15	15	16	16
Admin Info Technology Services	-	3	3	3	1	1	3	5	5	9
Plant Operations and Maintenance	130	137	137	137	139	140	141	141	136	139
Pupil Transportation	22	22	28	31	31	39	39	42	43	43
Other Support Services	4	2	2	2	2	2	2	2	2	2
Total	1,560	1,644	1,707	1,725	1,759	1,755	1,811	1,828	1,709	1,748

**Source:** District Personnel Records

EDISON BOARD OF EDUCATION  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2002-03	13,461	148,382,129	11,023	3.64%	1,184	22:1	24:1	24:1	12,910	12,390	0.74%	95.98%
2003-04	13,633	162,101,649	11,890	7.87%	1,264	23:1	24:1	24:1	13,066	12,589	1.21%	96.35%
2004-05	13,867	171,893,761	12,396	4.25%	1,279	24:1	24:1	25:1	13,554	13,014	3.73%	96.02%
2005-06	13,931	174,411,718	12,520	5.30%	1,182	23:1	25:1	24:1	13,979	13,424	3.14%	96.03%
2006-07	14,123	188,977,174	13,381	7.95%	1,163	23:1	25:1	24:1	14,471	13,933	3.52%	96.28%
2007-08	14,162	197,007,549	13,911	11.11%	1,158	24:1	25:1	25:1	14,184	13,617	-1.98%	96.00%
2008-09	14,171	199,243,565	14,060	5.08%	1,197	23:1	24:1	25:1	14,130	13,578	-0.38%	96.09%
2009-10	14,382	203,340,721	14,139	1.64%	1,209	24:1	24:1	25:1	14,181	13,627	0.36%	96.09%
2010-11	14,332	209,293,320	14,603	3.86%	1,118	25:1	26:1	26:1	14,194	13,641	0.09%	96.10%
2011-12	14,496	217,863,366	15,029	6.30%	1,146	24:1	25:1	26:1	14,217	13,755	0.16%	96.75%

Sources: District Records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

EDISON BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Exhibit J-18

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>BUILDING</b>										
<b>ELEMENTARY</b>										
<b>Benjamin Franklin (1960, 1965, 1990, 2003)</b>										
Square Feet	52,696	52,696	52,696	52,696	52,696	52,696	52,696	52,696	52,696	52,696
Capacity (Students)	580	580	580	580	580	580	580	580	580	580
Enrollment	569	573	579	544	528	507	579	590	579	556
<b>James Madison Intermediate (1959, 1968)</b>										
Square Feet	60,480	60,480	60,480	60,480	60,480	42,768	42,768	42,768	42,768	42,768
Capacity (Students)	600	600	600	600	600	540	540	540	540	540
Enrollment	526	506	499	516	529	478	555	550	560	602
<b>James Madison Primary (1971, 1998, 2003)</b>										
Square Feet	46,294	46,294	46,294	46,294	46,294	46,294	46,294	46,294	46,294	46,294
Capacity (Students)	660	660	660	660	660	660	660	660	660	660
Enrollment	456	455	510	626	714	510	681	702	654	601
<b>James Monroe (1962, 1973, 2003, 2004)</b>										
Square Feet	39,364	41,100	41,100	41,100	41,100	41,100	41,100	41,100	41,100	41,100
Capacity (Students)	390	400	400	400	400	400	400	400	400	400
Enrollment	394	372	359	356	352	383	421	439	420	446
<b>John Marshall (1961, 1990, 2003, 2007)</b>										
Square Feet	42,632	42,632	42,632	42,632	42,632	62,617	62,617	62,617	62,617	62,617
Capacity (Students)	520	520	520	520	520	690	690	690	690	690
Enrollment	465	474	434	470	451	461	522	572	592	604
<b>Lincoln (1951, 1956, 1962, 1972, 2003)</b>										
Square Feet	55,315	55,315	55,315	55,315	55,315	55,315	55,315	55,315	55,315	55,315
Capacity (Students)	680	680	680	680	680	680	680	680	680	680
Enrollment	750	753	721	720	693	659	674	713	700	696
<b>Lindeneau (1966, 1968, 2000, 2003, 2004)</b>										
Square Feet	57,204	57,204	57,204	57,204	57,204	43,219	43,219	43,219	43,219	43,219
Capacity (Students)	560	560	560	560	560	450	450	450	450	450
Enrollment	513	527	535	560	562	480	506	487	465	453
<b>Martin Luther King (1970, 1991, 2000)</b>										
Square Feet	54,136	54,136	54,136	54,136	54,136	54,136	54,136	54,136	54,136	54,136
Capacity (Students)	620	620	620	620	620	620	620	620	620	620
Enrollment	473	498	523	572	572	535	565	603	578	563
<b>Menlo Park (1962, 1965, 1991, 2003)</b>										
Square Feet	54,601	54,601	54,601	54,601	54,601	54,601	54,601	54,601	54,601	54,601
Capacity (Students)	720	720	720	720	720	720	720	720	720	720
Enrollment	787	809	881	761	759	732	771	802	815	791
<b>Washington (1952, 1958, 1972, 2003)</b>										
Square Feet	56,410	56,410	56,410	56,410	56,410	56,410	56,410	56,410	56,410	56,410
Capacity (Students)	680	680	680	680	680	680	680	680	680	680
Enrollment	531	556	565	536	615	467	608	612	547	562
<b>Woodbrook (1965, 1969, 2000, 2003)</b>										
Square Feet	57,204	57,204	57,204	57,204	57,204	57,204	57,204	57,204	57,204	57,204
Capacity (Students)	700	700	700	700	700	700	700	700	700	700
Enrollment	623	629	735	757	765	750	770	852	861	880

EDISON BOARD OF EDUCATION  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Exhibit J-18

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>BUILDING</b>										
<b>MIDDLE SCHOOLS</b>										
<b>Herbert Hoover (1967, 2000, 2007)</b>										
Square Feet	125,325	125,325	125,325	125,325	125,325	132,625	132,625	132,625	132,625	132,625
Capacity (Students)	940	940	940	940	940	980	980	980	980	980
Enrollment	810	796	836	846	830	748	834	813	830	814
<b>John Adams (1960, 2003)</b>										
Square Feet	95,740	95,740	95,740	95,740	95,740	95,740	95,740	95,740	95,740	95,740
Capacity (Students)	920	920	920	920	920	920	920	920	920	920
Enrollment	746	762	761	804	813	717	765	732	769	803
<b>Thomas Jefferson (1959, 1968, 2003)</b>										
Square Feet	80,366	80,366	80,366	80,366	80,366	80,366	80,366	80,366	80,366	80,366
Capacity (Students)	770	770	770	770	770	770	770	770	770	770
Enrollment	681	691	743	776	786	676	734	718	780	718
<b>Woodrow Wilson (1973, 2000)</b>										
Square Feet	102,781	102,781	102,781	102,781	102,781	102,781	102,781	102,781	102,781	102,781
Capacity (Students)	900	900	900	900	900	900	900	900	900	900
Enrollment	792	783	739	789	802	724	828	861	843	898
<b>BUILDING</b>										
<b>HIGH SCHOOL</b>										
<b>Edison (1954, 1962, 1986, 2000)</b>										
Square Feet	233,811	233,811	233,811	233,811	233,811	233,811	233,811	233,811	233,811	233,811
Capacity (Students)	1,884	1,884	1,884	1,884	1,884	1,884	1,884	1,884	1,884	1,884
Enrollment	1,940	2,011	1,985	1,999	1,981	1,726	1,936	1,980	1,951	1,980
<b>J.P. Stevens (1962, 1967, 1979, 1990, 2000, 2003, 2010)</b>										
Square Feet	205,597	205,597	205,597	205,597	205,597	205,597	205,597	205,597	219,582	219,582
Capacity (Students)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,160	2,160
Enrollment	2,167	2,217	2,232	2,136	2,135	2,001	2,124	2,134	2,246	2,160
<b>OTHER</b>										
<b>Education Center (1962)</b>										
Square Feet	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Capacity (Students)										-
Enrollment										
<b>Early Learning Center (2004)</b>										
Square Feet		7,297	7,297	7,297	7,297	7,297	7,297	7,297	7,297	7,297
Capacity (Students)										100
Enrollment										93
<b>Grounds (1999)</b>										
Square Feet	6,000	6,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Capacity (Students)										-
Enrollment										

SOURCE: DISTRICT RECORDS

NOTE: YEAR OF ORIGINAL CONSTRUCTION IS SHOWN IN PARENTHESES FOLLOWING THE NAME OF THE BUILDING. DATES, IF ANY FOR A SUBSEQUENT ADDITION ALSO FOLLOWS IN PARENTHESES.

Number of Schools at June 30, 2012

Elementary = 11  
Middle = 4  
High School = 2  
Other = 3

EDISON BOARD OF EDUCATION  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

Exhibit J-19

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
11-000-261-XXX

School Facilities	Project # (s)	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Lincoln Elementary	N/A	\$ 114,440	\$ 107,657	\$ 125,361	\$ 116,132	\$ 157,561	\$ 150,060	\$ 115,622	\$ 146,743	\$ 119,080	\$ 72,305
Washington Elementary	N/A	121,810	96,948	123,304	173,831	127,701	179,475	122,574	99,158	112,296	81,065
Madison Intermediate	N/A	92,900	63,423	97,614	112,682	174,587	168,745	97,730	94,510	134,739	65,115
Ben Franklin Elementary	N/A	108,606	99,031	86,870	96,364	127,607	107,822	100,981	84,520	98,072	70,178
Marshall Elementary	N/A	132,730	109,290	123,911	206,843	179,257	149,538	74,784	85,178	94,136	63,413
Menlo Park Elementary	N/A	92,290	88,066	95,642	126,256	102,108	106,311	113,698	103,334	109,916	62,849
Monroe Elementary	N/A	93,213	67,042	82,343	84,996	73,850	82,497	80,096	71,434	97,693	53,260
Lindeneau Elementary	N/A	78,197	94,529	158,292	121,372	105,024	107,713	87,782	79,021	104,103	69,381
Woodbrook Elementary	N/A	125,039	102,995	130,452	116,182	113,119	103,520	121,692	120,612	97,488	74,235
M.L. King Elementary	N/A	110,514	84,693	105,887	116,536	99,563	104,784	95,660	94,114	100,287	60,815
Madison Primary	N/A	90,736	83,874	127,671	144,650	125,491	121,849	128,897	116,656	97,831	77,225
Herbert Hoover Middle	N/A	235,288	216,820	197,425	261,024	245,712	220,592	232,014	216,577	201,806	237,178
John Adams Middle	N/A	212,566	164,051	182,546	197,128	182,895	188,385	191,056	195,708	186,972	178,891
Thomas Jefferson Middle	N/A	195,086	168,245	125,756	182,048	159,065	279,049	154,723	173,951	223,306	148,559
Woodrow Wilson Middle	N/A	257,180	253,518	215,810	225,244	174,284	196,276	188,030	189,881	260,618	185,111
Edison High	N/A	560,328	456,256	503,595	542,267	486,652	480,009	551,404	608,032	395,638	467,173
J.P. Stevens High	N/A	570,742	471,922	434,746	668,293	544,094	524,857	469,162	505,862	429,141	363,768
GRAND TOTAL		\$ 3,191,665	\$ 2,728,360	\$ 2,917,225	\$ 3,491,848	\$ 3,178,570	\$ 3,271,482	\$ 2,925,905	\$ 2,985,291	\$ 2,863,122	\$ 2,330,521

SOURCE: DISTRICT RECORDS

**EDISON BOARD OF EDUCATION  
INSURANCE SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
UNAUDITED**

**Exhibit J-20**

<u>DESCRIPTION</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy - NJSBAIG		
Buildings & Contents	\$284,497,875.00	\$5,000.00
Extra Expense - Blanket	50,000,000.00	
General Liability (Occurrence)	6,000,000.00	
Product Liability (Aggregate)	6,000,000.00	
Personal Injury	6,000,000.00	
Valuable Papers Blanket	10,000,000.00	
Contractors Equipment	included	
Software	2,000,000.00	
Money & Securities	10,000.00	500.00
Public Employees Dishonesty	250,000.00	1,000.00
Employee Benefits Li: (per incident)	6,000,000.00	1,000.00
(per aggregate)	6,000,000.00	
Bonds - NJSBAIG		
BA/Secretary	200,000.00	1,000.00
Treasurer of School Monies	800,000.00	1,000.00
High School Treasurer	200,000.00	1,000.00
Automobile Liability - NJSBAIG	6,000,000.00	
Medical Payments Commercial Vehicles	5,000.00	
Medical Payments Private Passenger Vehicles	10,000.00	
Uninsured Motorist	6,000,000.00	
Comprehensive & Collision		1,000.00
Educator's Legal Liability - NJSBAIG	6,000,000.00	10,000.00
Umbrella Liability - NJSBAIG	10,000,000.00	
Workers Compensation - NJSBAIG	2,000,000.00	
Workers Compensation Supplemental - NJSBAIG	included	
Boiler & Machinery - NJSBAIG	100,000,000.00	5,000.00
Extra Expense	10,000,000.00	
Mutual of Omaha		
High School Football	5,000,000.00	
Catastrophic Student Accident	1,000,000.00	
Pollution		
Lexington Insurance Company	1,000,000.00	25,000.00

**SINGLE AUDIT SECTION**

**SECTION – K**



**HODULIK & MORRISON, P.A.**  
 CERTIFIED PUBLIC ACCOUNTANTS  
 REGISTERED MUNICIPAL ACCOUNTANTS  
 PUBLIC SCHOOL ACCOUNTANTS  
 1102 RARITAN AVENUE, P.O. BOX 1450  
 HIGHLAND PARK, NJ 08904  
 (732) 393-1000  
 (732) 393-1196 (FAX)  
 (E-MAIL) admin@hm-pa.net

ANDREW G. HODULIK, CPA, RMA, PSA  
 ROBERT S. MORRISON, CPA, RMA, PSA

JO ANN BOOS, CPA, PSA

MEMBERS OF:  
 AMERICAN INSTITUTE OF CPA'S  
 NEW JERSEY SOCIETY OF CPA'S  
 REGISTERED MUNICIPAL ACCOUNTANTS OF N.J.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
 REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
 AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and Members  
 of the Board of Education  
 Township of Edison School District  
 Edison, New Jersey

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Edison School District, in the County of Middlesex, State of New Jersey, as of and for the year ended June 30, 2012, which collectively comprise the Township of Edison School District's basic financial statements, and have issued our report thereon dated November 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Internal Control Over Financial Reporting

Management of the Township of Edison School District Board of Education is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township of Edison School District Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Edison School District Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Edison School District Board of Education's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Edison School District Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

We noted certain matters that we have reported to the Township of Edison School District Board of Education in a separate *Auditors' Management Report on Administrative Findings – Financial Compliance and Performance* dated November 29, 2012.

This report is intended solely for the information and use of the Board of Education, management, New Jersey Department of Education and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



HODULIK & MORRISON, P.A.  
Certified Public Accountants  
Public School Accountants

Highland Park, New Jersey  
November 30, 2012

**HODULIK & MORRISON, P.A.**  
 CERTIFIED PUBLIC ACCOUNTANTS  
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 1102 RARITAN AVENUE, P.O. BOX 1450  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE  
 A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
 PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members  
 of the Board of Education  
 Township of Edison School District  
 Edison, New Jersey

**Compliance**

We have audited the Township of Edison School District's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*" and the *New Jersey Compliance Manual "State Aid/Grant Compliance Supplement"* that could have a direct and material effect on each of the Township of Edison School District's major federal and state programs for the year ended June 30, 2012. The Township of Edison School District's major federal and state programs are identified in the "Summary of auditor's results section" of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the Township of Edison School District Board of Education's management. Our responsibility is to express an opinion on the Township of Edison School District Board of Education's compliance, based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Edison School District Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Edison School District Board of Education's compliance with those requirements.

In our opinion, the Township of Edison School District Board of Education complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended June 30, 2012.

#### Internal Control Over Compliance

Management of the Township of Edison School District Board of Education is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Township of Edison School District Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Edison School District Board of Education's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, management, the New Jersey Department of Education and other federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Hodulik & Morrison, P.A.*

HODULIK & MORRISON, P.A.  
Certified Public Accountants  
Public School Accountants

Highland Park, New Jersey  
November 30, 2012

Edison Township Board of Education  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2012

Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period		Def. Revenue/ (Accounts Rec.) at June 30, 2011	Due To Grantor June 30, 2011	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2012		
				From	To						Accounts Receivable	Deferred Revenue	Due to Grantor
<b>Enterprise Fund</b>													
U.S. Department of Agriculture - Cluster													
Passed-through State Department of Education:													
Food Distribution Program - Non-Cash Award/Program	10.555	N/A	\$ 235,330.48	7/1/11	6/30/12	\$	\$	\$ 235,330.48	\$ (181,634.91)	\$	\$ 0.00	\$ 53,695.57	\$
Food Distribution Program - Non-Cash Award/Program	10.555	N/A		7/1/10	6/30/11	18,865.60			(18,865.60)		-		
National School Lunch Program	10.555	N/A	1,142,086.68	7/1/11	6/30/12			1,063,161.97	(1,142,086.68)		(78,924.71)		
National School Lunch Program	10.555	N/A		7/1/10	6/30/11						-		
National School Breakfast Program	10.553	N/A	145,994.61	7/1/11	6/30/12			128,793.29	(145,994.61)		(17,201.32)		
National School Breakfast Program	10.553	N/A		7/1/10	6/30/11						-		
National After School Snack Program	10.555	N/A	9,020.10	7/1/11	6/30/12			8,412.85	(9,020.10)		(607.25)		
National After School Snack Program	10.555	N/A		7/1/10	6/30/11						-		
<b>Total Enterprise Fund</b>						18,865.60	-	1,435,698.59	(1,497,601.90)	-	(96,733.28)	53,695.57	-
<b>General Fund</b>													
U.S. Department of Education													
Passed-through State Department of Education:													
Education Jobs Fund - A.R.R.A.	84.410	ARRA	597,154.00	9/1/11	8/31/12			530,225.63	(597,154.00)		(66,928.37)		
U.S. Dept. of Health and Human Services/U.S. Dept of Education													
Passed-through State Department of Education:													
Special Education Medicaid Initiative	93.778	N/A	80,500.38	9/1/11	8/31/12	(15,167.43)		95,667.81	(80,500.38)				
Random Moment in Time	N/A	N/A	5,871.32	9/1/11	8/31/12			5,871.32	(5,871.32)				
<b>Total General Fund</b>						(15,167.43)	-	631,764.76	(683,525.70)	-	(66,928.37)	-	-
<b>Special Revenue Fund</b>													
U.S. Department of Education													
Passed-through State Department of Education:													
Title I	84.010	NCLB_12	1,218,504.00	9/1/11	8/31/12			1,046,591.00	(696,966.87)	(309,125.08)	-	40,499.05	
Title I - Carryover	84.010	NCLB_11		9/1/10	8/31/11	(309,125.08)				309,125.08	-		
Title I - Carryover - Summer	84.010	NCLB_10		9/1/09	8/31/10						-		
Title V, Part A - Innovative Programs - Carryover - Summer	84.298	NCLB_12		9/1/07	8/31/08						-		
Title III Language Instruct	84.365	NCLB_12	113,899.00	9/1/11	8/31/12			91,347.00	(122,769.38)	(14,262.94)	(45,685.32)		
Title III Language Instruct - Carryover	84.365	NCLB_11		9/1/10	8/31/11	(14,262.94)				14,584.74	(0.00)	321.80	
Title III Language Instruct - Carryover - Summer	84.365	NCLB_10		9/1/07	8/31/08						-		
Title II, Part D Educ./Technology	84.318	NCLB_12	6,270.00	9/1/11	8/31/12	(5,354.00)		6,521.00	(6,270.00)		(5,103.00)		
Title IV, Part A - Drug Free Schools	84.186A	NCLB_12	4,233.00	9/1/11	8/31/12			7,081.00	(4,233.00)	(11,314.00)	(8,466.00)		
Title IV, Part A - Drug Free Schools - Carryover	84.186A	NCLB_11		9/1/10	8/31/11	(11,314.00)				11,314.00	-		
Title II, Part A - Teacher/Principal Training	84.367	NCLB_12	468,125.00	9/1/11	8/31/12			233,291.00	(430,248.00)	(123,057.00)	(320,014.00)		
Title II, Part A - Teacher/Principal Training - Carryover	84.367	NCLB_11		9/1/10	8/31/11	(110,622.68)			(12,434.32)	123,057.00	-		
Title I - School Improv. Aid - Carryover	84.388	NCLB_09		9/1/08	8/31/09	(16,964.00)		23,410.00		(6,446.00)	-		
Carl D. Perkins Voc & Tech Ed	84.048	N/A		9/1/08	8/31/09	(4,359.85)				4,359.85	-		
I.D.E.A. - Cluster													
I.D.E.A. Part B, Basic Regular	84.027	IDEA_12	3,330,777.00	9/1/11	8/31/12			3,046,924.00	(3,067,689.59)	(1,033,104.35)	(1,053,869.94)		
I.D.E.A. Part B, Basic Regular - Carryover	84.027	IDEA_11		9/1/10	8/31/11	(1,033,501.79)				1,033,501.79	-		
I.D.E.A. Part B, Preschool	84.173	IDEA_12	112,004.00	9/1/11	8/31/12	(3,191.68)		104,629.00	(112,004.00)		(10,566.68)		
I.D.E.A. Part B, Basic Regular, A.R.R.A.	84.391	ARRA_11		9/1/10	8/31/11	(295,209.82)		479,806.00	(184,198.74)	(397.44)	0.00		
I.D.E.A. Part B, Preschool, A.R.R.A.	84.392	ARRA_11		9/1/10	8/31/11	(53,321.87)		79,578.00	(25,972.83)		(0.00)		283.30
Race to the Top	84.413A		89,976.00	9/1/11	8/31/12				(15,560.00)		(15,560.00)		
U.S. Department of Justice													
Passed-through N.J. Dept. of Law and Public Safety,											-		
Passed-through County of Middlesex,											-		
Passed-through Township of Edison:											-		
Title V - Bridges Program - Middle School	16.548	N/A		9/1/08	8/31/09	(4,972.34)				4,972.34	-		
<b>Total Special Revenue Fund</b>						(1,862,200.05)	-	5,119,178.00	(4,678,346.73)	3,207.99	(1,459,264.94)	40,820.85	283.30
<b>Total Federal Financial Awards</b>						\$ (1,858,501.88)	\$ -	\$ 7,186,641.35	\$ (6,859,474.33)	\$ 3,207.99	\$ (1,622,926.59)	\$ 94,516.42	\$ 283.30

Footnote(s):

N/A - Not Available

Note: See Accompanying Notes to Schedules of Expenditures of Awards/Financial Assistance

Edison Township Board of Education  
Schedule of Expenditures of State Financial Assistance  
For The Fiscal Year Ended June 30, 2012

Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2011			Balance at June 30, 2012							MEMO		
				Deferred Revenue (Accts Receivable)	Due to Grantor	MEMO Budgetary Receivable	Cash Received*	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Dept of Education																
General Fund																
Special Education Aid	12-495-034-5120-089	\$ 8,159,056.00	7/1/11	6/30/12	\$ -	\$ -	\$ -	\$ 7,399,723.00	\$ (8,159,056.00)	\$ -	\$ -	\$ (759,333.00)		\$ (759,333.00)	\$ 8,159,056.00	
Special Education Aid	11-495-034-5120-089		7/1/10	6/30/11	(684,763.00)			684,763.00				-			-	
Equalization Aid	12-495-034-5120-078	3,470,733.00	7/1/11	6/30/12				3,145,304.00	(3,470,733.00)			(325,429.00)		(325,429.00)	3,470,733.00	
Non-Public Transportation Aid	12-100-034-5120-068	104,547.68	7/1/11	6/30/12				104,547.68	(104,547.68)			-			104,547.68	
Homeless Children Aid	N/A	817,737.00	7/1/11	6/30/12				817,737.00	(817,737.00)			-			817,737.00	
Bully Prevention	N/A	16,231.00	7/1/11	6/30/12				16,231.00	(16,231.00)			-			16,231.00	
Extraordinary Aid 2011-12	12-100-034-5120-473	2,238,183.00	7/1/11	6/30/12								-		(2,238,183.00)	-	
Extraordinary Aid 2010-2011	11-100-034-5120-473		7/1/10	6/30/11	(2,072,775.00)			2,072,775.00	(2,072,775.00)			(2,072,775.00)			2,072,775.00	
On-behalf T.P.A.F. Pension Contrib.	12-495-034-5095-007		7/1/11	6/30/12				3,381,123.00	(3,381,123.00)			-			3,381,123.00	
On-behalf Post-Retirement Medical	12-495-034-5095-001		7/1/11	6/30/12				6,796,942.00	(6,796,942.00)			-			6,796,942.00	
T.P.A.F. Social Security Aid	12-495-034-5095-002		7/1/11	6/30/12				7,611,550.82	(8,118,645.45)			(507,094.63)			8,118,645.45	
T.P.A.F. Social Security Aid	11-495-034-5095-002		7/1/10	6/30/11	(379,555.78)			379,555.78				-			-	
Total General Fund					(3,137,093.78)	-	-	32,410,252.28	(32,937,790.13)	-	-	(3,664,631.63)	-	-	(3,322,945.00)	32,937,790.13
Debt Service Fund																
Debt Service Aid	12-495-034-5120-075	264,810.00	7/1/11	6/30/12	-			264,810.00	(264,810.00)			-	-		264,810.00	
Homeless Children Aid	N/A	280,780.00	7/1/11	6/30/12				280,780.00	(280,780.00)			-	-		280,780.00	
Total Debt Service Fund						-	-	545,590.00	(545,590.00)	-	-	-	-	-	-	545,590.00
Special Revenue Fund																
N.J. Nonpublic Aid:																
Textbook Aid	12-100-034-5120-064	121,319.00	7/1/11	6/30/12				121,319.00	(119,666.00)			-	1,653.00		119,666.00	
Auxiliary Services:																
Compensatory Education	12-100-034-5120-067	165,685.00	7/1/11	6/30/12				165,685.00	(159,768.00)			-	5,917.00		159,768.00	
English as a Second Language	12-100-034-5120-067	17,412.00	7/1/11	6/30/12		854.00		17,412.00	(16,983.00)	(854.00)		-	429.00			
Transportation	12-100-034-5120-067	34,285.00	7/1/11	6/30/12				34,285.00	(34,285.00)			-	-		34,285.00	
Handicapped Services:																
Supplemental Instruction	12-100-034-5120-066	77,869.00	7/1/11	6/30/12				77,869.00	(61,734.00)			-	16,135.00		61,734.00	
Supplemental Instruction	11-100-034-5120-066		7/1/10	6/30/11		8,337.00				(8,337.00)		-	-		-	
Examination & Classification	12-100-034-5120-066	124,440.00	7/1/11	6/30/12				124,440.00	(111,906.00)			-	12,534.00		111,906.00	
Examination & Classification	11-100-034-5120-066		7/1/10	6/30/11		5,735.00				(5,735.00)		-	-		-	
Corrective Speech	12-100-034-5120-066	66,347.00	7/1/11	6/30/12				66,347.00	(55,289.00)			-	11,058.00		55,289.00	
Corrective Speech	11-100-034-5120-066		7/1/10	6/30/11		1.00				(1.00)		-	-		-	
Home Instruction	12-100-034-5120-067	12,564.71	7/1/11	6/30/12					(12,564.71)	0.60		(12,564.11)			12,564.71	
Home Instruction	11-100-034-5120-067		7/1/10	6/30/11	(7,992.40)			7,993.00		(0.60)		0.00			-	
Home Instruction	09-100-034-5120-067		7/1/08	6/30/09	(9,183.33)					9,183.33		-			-	
Nursing Services	12-100-034-5120-070	173,296.00	7/1/11	6/30/12				173,296.00	(170,129.00)			-	3,167.00		170,129.00	
FHA/Hero Grant	N/A	215,000.00	7/1/10	6/30/11	5,028.29			101,760.21	(95,884.26)			-	10,904.24		95,884.26	
Hindi Grant	N/A		7/1/08	6/30/09	(22,867.38)			29,533.82	(6,666.44)			(0.00)	-		-	
Total Special Revenue Fund					(35,014.82)	14,927.00	-	919,940.03	(838,208.97)	2,516.89	(14,927.00)	(12,564.11)	10,904.24	50,893.00	-	821,225.97
Enterprise Fund																
National School Lunch Program	11-100-010-3350-023	43,927.77	7/1/11	6/30/12				40,887.45	(43,927.77)			(3,040.32)			43,927.77	
Total Enterprise Fund						-	-	40,887.45	(43,927.77)	-	-	(3,040.32)	-	-	-	43,927.77
Capital Projects Fund																
Educational Facilities Construction and Financing Act Section 15 Grant	1290-XXX-09-XXXX	2,429,030.03	Indefinite		(2,429,030.03)			1,273,252.42				(1,155,777.61)			2,429,030.03	
Total Capital Projects Fund					(2,429,030.03)	-	-	1,273,252.42	-	-	-	(1,155,777.61)	-	-	-	2,429,030.03
Total State Financial Assistance					\$ (5,601,138.63)	\$ 14,927.00	\$ -	\$ 35,189,922.18	\$ (34,365,516.87)	\$ 2,516.89	\$ (14,927.00)	\$ (4,836,013.67)	\$ 10,904.24	\$ 50,893.00	\$ (3,322,945.00)	\$ 36,777,563.90

Less:

On-behalf T.P.A.F. Post-Retirement Medical (6,796,942.00)  
On-behalf T.P.A.F. Pension Contrib. (3,381,123.00)

Total State Financial Assistance Subject to Single Audit

\$ (24,187,451.87)

Footnotes(s):

N/A - Not Available

\* "Cash Received" does not include the nineteenth and twentieth state aid payments for the current fiscal year.

Note: See Accompanying Notes to Schedules of Expenditures of Awards /Financial Assistance.

Pursuant to the directive of the New Jersey State Department of Education, on-behalf payments for T.P.A.F. Pensions, Post-Retirement Medical and Non-Contributory Insurance are excluded from the scope of the State Single Audit and are not considered when determining Type A or Major Programs under NJOMB Circular 04-04.

EDISON SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF AWARDS AND FINANCIAL ASSISTANCE  
JUNE 30, 2012

NOTE 1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Edison School District. The Board of Education is defined in Note 1(A) to the Board's basic financial statements (GASB 34 Model – basic financial statements). All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1(C) and 1(D) to the Board's basic financial statements (GASB 34 – Model - basic financial statements). The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A: 22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consist with N.J.S.A. 18A: 22-4.2.

See Note 1(D) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

EDISON SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES  
OF AWARDS/FINANCIAL ASSISTANCE  
JUNE 30, 2012

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 683,525.70	\$32,521,560.13	\$33,205,085.83
Special Revenue Fund	4,672,439.67	838,208.97	7,405,811.21
Debt Service Fund	-0-	545,590.00	545,590.00
Food Service Fund	1,532,431.87	43,927.77	1,576,359.64
Total Awards & Financial Assist.	<u>\$6,888,397.24</u>	<u>\$33,949,286.87</u>	<u>\$40,837,684.11</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules generally agree with the amounts reported in the related federal and state financial reports.

NOTE 5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions, Non-Contributory Insurance, and Post Retirement Medical represents the amount paid or accrued by the state on behalf of the District for the year ended June 30, 2012. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2012.



EDISON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

*Section 1 – Summary of Auditor's Results*

Financial Statements

Type of auditor's report issued: Unqualified

Internal Control over financial reporting:

1) Material weakness(es) identified? \_\_\_\_\_ yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes X no

Noncompliance material to general-purpose financial statements noted? \_\_\_\_\_ yes X no

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? \_\_\_\_\_ yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes X no; none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? \_\_\_\_\_ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553	U.S. Dept of Agriculture - Cluster
10.555	National School Breakfast Program
10.555	National School Lunch Program
10.555	National After School Snack Program
84.010	Food Distribution Program - Non-Cash Award/Program
84.365	Title I Part A
84.410	Title III, English Language Acquisition State Grants
	Education Job Fund - A.R.R.A.

Dollar threshold used to distinguish between type A and B programs: \$ 300,000.00

Auditee qualified as low-risk auditee? X yes \_\_\_\_\_ no

EDISON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(continued)

*Section 1 – Summary of Auditor's Results (cont'd.)*

State Awards

Dollar threshold used to distinguish between type A and B programs: \$ 725,624.00

Auditee qualified as low-risk auditee? X yes        no

Type of auditor's report issued on compliance for major programs: Unqualified

Internal Control over major programs:

1) Material weakness(es) identified?        yes X no

2) Significant deficiencies identified that are not considered to be material weaknesses?        yes X no; none reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04?        yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
<u>12-495-034-5095-002</u>	<u>TPAF Social Security</u>
<u>12-100-034-5120-068</u>	<u>Nonpublic Transportation Aid</u>
<u>12-100-034-5120-064</u>	<u>Nonpublic Textbook Aid</u>
<u>12-100-034-5120-067</u>	<u>Nonpublic Auxiliary Services Aid (Chapter 192)</u>
<u>12-100-034-5120-066</u>	<u>Nonpublic Handicapped Aid (Chapter 193)</u>
<u>12-100-034-5120-070</u>	<u>Nonpublic Nursing Services Aid (Chapter 226)</u>
<u>12-100-010-3350-023</u>	<u>National School Lunch Program</u>

EDISON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(continued)

Section II – Financial Statement Findings

None

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

None

N.J. Dept. of Education OFAC Findings Review - Year 2012

The State of New Jersey Department of Education's Office of Fiscal Accountability and Compliance issued a report with respect to its review of the District's Education Jobs Act of 2010, in particular, Elementary and Secondary Education (ESEA) and the Individual with Disabilities Education Act (IDEA). The review covered the period July 1, 2010 through May 21, 2012. The report was dated October 9, 2012. Eighteen program findings were noted along with three administrative findings. A number of the findings dealt with documentation and policy matters. The most significant finding related to the OFAC's interpretation that the District's Title I program provided core academic instruction rather than supplemental instructional opportunities.

The District has prepared a corrective action plan in response to these findings and has implemented, or is in the process of implementing all of the corrective actions identified.

EDISON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(continued)

1V. STATUS OF PRIOR YEAR FINDINGS

Section II – Financial Statement Findings

No Prior Year Findings Noted.

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

No Prior Year Findings Noted.